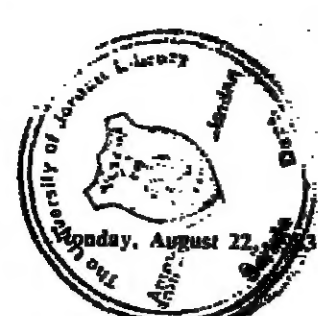


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EIGHT PAGES
FROM SUNDAY'S
The New York Times
THE WEEK IN REVIEW
INSIDE TODAY



THE JERUSALEM POST

Vol. LI, No. 15403 IS35

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Mortally wounded Filipino opposition leader Benigno Aquino is dragged into a military van after he was shot yesterday at Manila International Airport as he returned home after three years of self-imposed exile in the U.S. (UPI telephoto)

Filipino leader slain on return from exile

MANILA (Reuters). — Philippines opposition leader Benigno Aquino was shot dead yesterday by a lone gunman as he stepped from an airliner here after three years of self-imposed exile. His assassin was killed on the spot by security men, police said.

(Agence France Presse reported last night that a top state of alert has been declared in the Philippine army to cope with possible unrest. The agency quoted "a source close to the army" as saying that the police were holding four men suspected of involvement in the murder of Aquino.)

The gunman, wearing the uniform of an airport maintenance man, was shot dead by guards escorting Aquino from the plane, Manila police chief Maj.-Gen. Prospero Olivas told reporters.

Police said the assassin fired only one shot, and a passenger who saw Aquino killed said blood spurted "like a fountain" from a wound in his neck.

IDF kills terrorist near Tyre

TEL AVIV (Itim). — A terrorist was shot dead by an Israeli Defence Forces patrol last night after he fired two bazooka rockets north of Tyre, the IDF spokesman announced. There were no Israeli casualties. Hand grenades and an automatic rifle were found near the body.

Israeli soldiers came under fire from Druse militiamen twice in the Aley area of the Shouf Mountains yesterday. There were no IDF casualties in the incidents, which

'Territories hothouse for Jewish vigilantes'

By ROBERT ROSENBERG
Jerusalem Post Reporter

While a spokesman for Jewish settlers in the administered territories described his remarks as "a danger to the nation's security," law enforcement officials, who would not be named, yesterday applauded former General Security Services (Shin Bet) head Avraham Ahituv's remarks about alleged Jewish terror in the territories.

Ahituv's comments were published last Friday in *Davar*, the Histadrut newspaper. They described the settlements in the West Bank as a "psychological hothouse for the growth of Jewish terror." Without stating categorically that Jews were responsible for the bombings that crippled



Avraham Ahituv

two West Bank mayors while he was serving as chief of the GSS between 1976 and 1980, or for the recent attack on the Islamic University in Hebron that killed three students, Ahituv said, "the suspicions are heavy" that Jews were responsible.

Writing that after settlements began to sprout in the territory when Jews "took the law into their own hands... sometimes involving rebellion against the IDF," Ahituv argued that, in particular since the rise of the Likud government, the settlers have learned that their actions, even if illegal, "are made kosher" because of the political homefront that backs them.

Ahituv's article prompted harsh and angry remarks from Kiryat Arba resident Elyakim Ha'etzni, a lawyer who is one of the most articulate of settlement proponents.

Ha'etzni told *The Jerusalem Post* that "there is an ongoing campaign of character assassination" against the settlers, and Ahituv's remarks "are a threat to the security of the state."

According to Ha'etzni, Ahituv's (Continued on Page 2, Col. 2)

Cabinet rebuffs Aridor but ups purchase tax

Education levy or shorter school hours

By AARON SITTNER
Jerusalem Post Reporter

Bank checking accounts will not be taxed, the cabinet ruled yesterday, as it turned down this and other proposals by Finance Minister Yoram Aridor and the Ministerial Economic Committee. But the record nine-and-one-half hour cabinet session dealt a crushing blow to Aridor.

Fearing a crisis with its Liberal Party members, the cabinet bowed to their demand and abandoned the idea of a three-tenths of a per cent tax on checking transactions as a means of raising tens of billions of shekels.

Instead, the ministers voted to raise the purchase tax by 10 per cent, except on items where the tax

Histadrut would fight tax hikes, cuts in NII

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — The Histadrut's 185-member executive yesterday voted to fight tax increases and cuts in national insurance allowances if the government tries to introduce them.

The decision was taken at a stormy five-hour meeting, when the Alignment, Shinui and Sheli outvoted the Likud and authorized the

Red carpet reception for Doe today

Jerusalem Post Staff

Liberian president Samuel K. Doe, who is due at Ben-Gurion Airport at 3 o'clock this afternoon, will be the first black African leader to visit Israel officially since 1973.

Liberia was then one of 28 African states to break off relations with Israel at the time of the Yom Kippur War.

President Doe will get a red-carpet reception and a 21-gun salute at the airport, where he will be welcomed by President Chaim Herzog and Prime Minister Menachem Begin. The motorcade will then proceed to Jerusalem, where Mayor Teddy Kollek will greet the visitor with the traditional bread and salt ceremony in the Memorial Pillar square opposite Binyanei Ha'uma.

It was only a week ago that Liberia announced it was resuming relations with Israel, and the news of his impending visit became known only a few days later, so that



Liberian President Samuel Doe, shortly after he assumed power in April 1980.

minister, and will be the dinner guest of President Herzog.

A non-government source said yesterday that he was involved in preparing other state visits within two months by the leaders of the Ivory Coast, Upper Volta, Togo and the Central African Republic.

But a Foreign Ministry official said that Israel's efforts to resume relations with these countries had not yet produced any conclusive results.

[The PLO news agency Wafa reported Friday that a PLO envoy was touring African states in an apparent effort to dissuade them from resuming ties with Israel.]

The *New York Times*, in a comprehensive article on Israel's return to the Black Continent, said yesterday that Israel now maintains commercial, agricultural, military or diplomatic ties with 22 African states, in which some 4,000 Israelis are now working on various missions.

MOSHAVIM IN CRISIS/Yosef Goell

Politicians see perils, but also opportunities in mess

THE CRISIS in the moshavim first burst on the public's consciousness a few weeks ago in a noisy slanging match on Israel Television's *Moked* programme between Deputy Minister of Agriculture Pessah Grupper (who has since been nominated to become minister) and Prof. Ra'anan Weitz, the top settlement planner during the long period of Labour Party governments and currently co-chairman of the Jewish Agency's settlement department.

Each accused the other's party of prime responsibility for the crisis: Grupper spoke of the irresponsible manner in which newcomers had been taken by Labour Party governments from the ports to the moshavim in the 1950s with no preparation whatsoever and of the inherent flaws in the moshav structure.

Weitz countered by accusing the Likud government of neglecting the

French send combat planes to bolster Chadian positions

N'DJAMENA (AP). — Eight French Air Force combat planes and an air-to-air refuelling tanker arrived in N'djamena yesterday to provide air cover for the 2,000 paratroopers of the French task force in Chad to assist the government battling a Libyan-backed insurgency.

The planes, to be based in N'djamena indefinitely, were four Jaguar ground support planes and four ultra-modern Mirage-F1 fighter-bombers, both equipped with rockets, 30mm cannon and 250 kg. and 400 kg. bombs.

French military sources said the deployment of the powerful aerial strike force is intended to make the French strongpoints along the Chad government's defensive line invulnerable to attack by Libyan planes or armoured columns.

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Yesterday's	Yesterday's	Today's
Humidity	Min-Max	Max
Jerusalem	15-26	27
Golan	15-26	27
Nahariya	20-31	32
Salaf	15-26	27
Hula-Pan	15-26	27
Tiberias	15-26	27
Nazareth	15-26	27
Afula	15-26	27
Shomron	15-26	27
Tel Aviv	21-31	32
B-G Airport	21-31	32
Jericho	21-31	32
Gaza	21-31	32
Beer Sheva	21-31	32
Eilat	21-31	32

ARRIVALS

Knesset Speaker Menachem Begin, after a short vacation in Switzerland.
One hundred delegates to the United Jewish Appeal Intermediate Cities Campaign Chairman's Seminar, from 39 communities in the U.S., led by Robert Lupp, national chairman.

5 AIDS cases diagnosed in Israel

TEL AVIV (Iim). — Five cases of Acquired Immune Deficiency Syndrome (AIDS) have been diagnosed in Israel. So far, there have been about 2,000 cases reported worldwide, all but about 50 in the U.S.

These figures were announced yesterday by Dr. Moshe Eldar, head of the intensive care unit at Wolfson Hospital in Holon. A victim of AIDS died at the hospital last week. Dr. Eldar said that patients with AIDS in Israel have been kept in isolated wards. No hospital workers had refused, from fear of becoming infected, to care for the patients, he said.

2 soldiers, 7 Lebanese hurt in road accident

METULLA (Iim). — Israel Defence Forces helicopters yesterday evacuated two IDF soldiers and a Lebanese civilian injured in a road accident near the village of Klea to hospitals in Haifa and Safad.

Another six Lebanese who were also hurt were taken by ambulance to Kiryat Shmona.

Four injured in Arava road accident

EILAT (Iim). — Four persons were hurt, two of them seriously, in a traffic accident on the Arava road yesterday. In another accident in Eilat, a woman was slightly injured when the door of her car was struck by a passing car as she was getting out.

CHILDREN. — More than 200 children will be living and going to school in the new West Bank settlement of Alfei Menashe this year, a settlement spokesman said yesterday.

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HOME AND WORLD NEWS

Jemayel urged to kill pact

DAMASCUS (AP). — Syria's state media warned yesterday that Lebanese President Amin Jemayel must cancel the troop withdrawal pact with Israel if he expects to negotiate a "national entente" with his Syrian-backed opponents.

Newspapers headlined "No entente before cancellation of the (Israeli-Lebanese) agreement." "We hope that by now, the Lebanese authority has come to realize more than before the dangers of the agreement it signed with Israel," wrote the government daily, *Tishrin*. "It is still not too late to cancel the agreement and get back to the Arab fold."

The comments appeared one day after Jemayel launched a new effort

to reach an agreement with his Lebanese opponents to avoid a bloody power struggle once Israeli forces pull out of the Beirut area and central mountains to a new line south of the Awali River.

Syria's media have already described the partial pullout as the first stage in a partitioning of Lebanon.

Syrian support for Jemayel's reconciliation would be important because the Damascus government maintains an estimated 50,000 troops in Lebanon and supports the *Front for National Salvation*, a group of leftist Muslims, Christians and Druse demanding cancellation of the agreement with Israel and a greater voice in national affairs.

2 convicts' suicides revealed

TEL AVIV. — Two Ramle prison inmates committed suicide last week and a third tried, but failed, Prison Service sources said yesterday. They added that hardly a day passes without a prisoner attempting suicide.

The situation is attributed at least partly to low morale among the prison warders. The Interior Ministry committee which probed the circumstances leading to a riot by prisoners some three months ago found last week that guards' morale was low and security measures lax. It recommended that the senior prison staff should be changed.

Ramle prison commander Sgan-Gundar Yosef Polak said in a radio interview yesterday that last week's suicides and suicide attempt were nothing unusual. Such attempts occur all the time and, by chance, two of them succeeded last week, he said, adding that all three cases were caused by drug problems.

Polak said that a number of inmates have made fake suicide attempts in order to harass the warders.

Many of the inmates who slip into depression and become suicidal are drug addicts, who tend to react badly to imprisonment and pressure conditions, he said.

The staff of the prison's psychiatric ward is too small to cope with all the drug addicts, but there is no chance of getting additional personnel, he said.

UNITED FRONT

(Continued from Page One)
against the bank account tax both on practical and on ideological grounds.

Under this avalanche of persuasion, and part-warring, the five ministers buried their several hatchets and decided to combat the bank account tax tooth and nail. They also decided to combat the proposal for the self-employed to pay the share of health insurance fund dues usually paid by employers on behalf of their employees.

But on this issue, they were not quite so adamant, since they consider the proposal vague, incapable of effective implementation, and applicable at most to only 15 per cent of the self-employed.

Most of the cabinet's time was devoted to a discussion on the bank account tax, which Finance Minister Yoram Aridor advocated with great firmness and which the five Liberals condemned just as passionately.

But, when it came to a vote on the bank account tax, Aridor was only able to muster five votes. Apart from his own, these were from Minister for Economic Coordination Ya'acov Meridor, Deputy Premier and Housing Minister David Levy, Minister without Portfolio Mordechai Ben-Porat and Labour and Social Affairs Minister Aharon Uzan.

Aridor explained that the bank account tax is the easiest of all taxes to collect, since it simply means accepting a monthly cheque from the head office of each of Israel's banking networks. He said there is no way of dodging the tax successfully, so it would devolve on everyone. But, at the rate of 0.3 per cent, it would not be a heavy burden on anyone.

Aridor was challenged sharply by each Liberal minister in turn. The five of them took up over an hour of the cabinet's time on this issue alone. At the outset, Industry Minister Gideon Patt said it would be preferable to impose an extra levy on income tax or compulsory savings, or a forced-loan to be repaid in three years time, rather than to have a bank account tax.

Yehuda Glick, Minister of Education, said that the cabinet should not be divided on such a trivial issue.

Although the proposal for a "school use fee" has been left to negotiations between Education Minister Ze'evulun Hammer and Aridor, a number of ministers, led by Doron, spoke against the idea.

Some ministers told *The Jerusalem Post* last night they are "a bit vague in their minds about the decision on the maternity grant."

One said: "We were so tired around six o'clock that the cabinet session more or less broke up in shouting and pandemonium just when ministers were talking about the maternity grant. I don't believe that any decision has been written into the cabinet minutes."

Yesterday's cabinet session was noteworthy because no leaks got out to the press throughout the day. Ministers and their aides, unlike the usual practice, did not pop out in the middle to drop hints to journalists as to the course of the discussion.

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Illegal butchering alleged in TA

By MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. — Some 30 illegal and/or unhygienic slaughterhouses provide the city's butchers with kosher unfit for human consumption. Mapam council member Arye Zucker yesterday told city council. In addition, he said, huge quantities of unsupervised meat are brought into the city and sold to butchers and eating establishments. But his allegation was disputed.

Zucker quoted from a letter sent by Mayor Shlomo Lahat to district police commander Nitzav Avraham Turgeman, last year, asking for police help in eliminating the illegal slaughtering, which he said is liable to spread disease and endanger public health.

City inspectors are unable to inspect many of these slaughterhouses, which are run by criminal elements and police help is needed to seize the meat before it is marketed, Lahat wrote. But the police, claiming a shortage of personnel, have so far failed to help, Zucker said.

Only four veterinarians and their eight staff are responsible for inspecting 860 slaughterhouses, butcher and fish shops, hotels and eating places, meat plants, cowsheds and stables, Zucker said. They also have to catch stray animals and vaccinate pets.

As a result, veterinary supervision is sorely lacking and the public buys unkosher meat believing it is kosher and supervised, he said.

Sanitation department head Arye Kremer disputed Zucker, saying "there is no black slaughter in Tel Aviv." He said there are six veterinarians and a 27-person staff supervising the meat and fish sold in the city.

In June, 4,981 kilos of meat and fish found unfit for human consumption were destroyed.

Mubarak: Israel should pull out first

CAIRO (AP). — Shifting from an earlier position, Egyptian President Hosni Mubarak yesterday urged Israel to withdraw completely from Lebanon first, and expressed confidence that a Syrian troop pullout would be considered thereafter.

Mubarak spoke to reporters shortly after he had talks with U.S. Middle East envoy Robert McFarlane, who said Israel's military redeployment in Lebanon would be a

prelude to total withdrawal and who ruled out the partition of Lebanon following an imminent Israeli partial pullback.

"We prefer to see Israel withdraw first from all of Lebanon," Mubarak said. "We are confident that Syrian forces afterward will consider their own withdrawal."

Following the signing of the May 17 Lebanese-Israeli withdrawal agreement and its immediate rejection by

Syria, Mubarak indicated in a speech that he favors simultaneous Israeli and Syrian withdrawal, saying it is "unacceptable" that the Syrian stance should delay Israeli withdrawal.

Political observers said the shift may be due to recent reported contacts between Egypt and Syria and efforts to improve their relations, which were ruptured following the 1979 Egyptian-Israeli peace treaty.

Arafat back to Tunis for PLO meeting

TUNIS (Reuters). — Palestine Liberation Organization Chairman Yasser Arafat returned to his headquarters here from Saudi Arabia yesterday for a meeting to review efforts to heal splits in the terrorist organization, PLO sources said.

The meeting last night of the PLO Executive Committee was also to seek ways to mend its relations with Syria.

A conciliation group set up early

this month by the PLO Central Council conferred last week with dissidents in Arafat's Fatah group and Syrian officials.

Meanwhile, the PLO yesterday dismissed as ridiculous a claim by a faction of the Fatah group that it was responsible for the killing of a prominent PLO official Saturday in Athens.

A spokesman for the PLO office in Athens insisted the shooting of

Mamoun Mreish Sughaiyer was an Israeli and Syrian withdrawal, saying the killing, the office described it as a "disgusting crime" by Israel.

The Kuwaiti newspaper *Al-Qabas* reported yesterday it received a telephone call from an unidentified man saying the hitherto unknown "Corrective Movement" within Fatah was responsible for the shooting.

ARIDOR REBUFFED

(Continued from Page One)
rated to the end of the current fiscal year, should come closer to IS11b than the IS40b mentioned in the official statement.

Factors behind this reality are the huge sums of money the Treasury will have to raise somehow to cover expenses not foreseen when the state budget was formulated.

For example, the Lebanon war has cost approximately IS16b. so far, and apparently will run up an additional bill of IS14b. by the end of the current fiscal year.

Then there is a \$200m. item the government is obligated to pay in the form of exchange rate guarantees for exporters.

Finally, there are the several billion shekels accruing to the doctors in their imminent arbitration settlement, for teachers, following their labour dispute settlement and to citrus growers and moshavim, to bolster their collapsing financial structures.

The increased purchase tax voted by the cabinet yesterday is already in effect this morning, but has already been criticized as ill-planned. A Tami source noted that if it was intended to tax luxury items, it would fail because such articles — mostly high-priced imports — have their purchase taxes imposed after the import tariffs.

He said: "An inexpensive item, locally manufactured and with a purchase tax of 10 per cent, will now cost an additional 10 per cent. However, a new automobile, if presently taxed at 150 per cent, will now cost about 160 above the list price. Is this the way you tax luxury items?"

To the horde of reporters waiting outside the Prime Minister's Office for the cabinet meeting to end, the sight of the ministers dodging them to avoid questioning was an omen of things to come.

"Never before has a finance minister been so harshly rebuffed by his peers," one of the newsmen claimed. "I wouldn't be surprised if he decides to read the handwriting on the wall and draws the natural conclusion."

A source at Tami predicted last night that its representative in the cabinet — Labour and Social Affairs Minister Aharon Uzan —

Shamir blames Syria

Jerusalem Post Staff

The main obstacle to a peaceful solution of the Lebanese crisis is Syria, Foreign Minister Yitzhak Shamir last night told leaders of the United Jewish Appeal in Jerusalem.

"Clearly, Syria should be placed in the dock by the international community, charged with wanton aggression and occupation and pressed to conform with international law," Shamir said.

AQUINO

(Continued from Page One)

Four or five armed guards who boarded the plane when it reached the airport ramp were with Aquino when the shot rang out. Passengers on the aircraft watched in horror as the gunman fell dead and Aquino, mortally wounded, was lifted into a security van and taken to hospital where, Olivas said, he was pronounced dead on arrival.

Aquino returned in defiance of government warnings that it had information on threats to his life by people with personal grudges.

Marcos said in his statement yesterday that he had ordered measures to ensure that life continued as normal in the Philippines.

Aquino, a former Senator with considerable charisma and popularity, had been expected to play a major vote in an opposition campaign to challenge Marcos's ruling party, the New Society Movement, in next year's parliamentary elections.

The Philippines government, angered that Aquino had been allowed to travel from Taiwan apparently without a valid travel document, later announced that it was suspending China Airlines' rights to fly between Taipei and Manila.

Aeronautics Board chairman Jose Aspritas said the airline had violated laws and regulations of the International Civil Aviation Convention.

In Newton, Aquino's widow said she knew there were risks, but did not believe warnings that her husband would be shot.

A weeping but composed Corazon Aquino, interviewed in her living room, said she would be taking her five children, who range in age from 12 to 25, to Manila tomorrow for her husband's funeral.

"Worried? No, I'm not... I feel that God in his own way will take care of me and my children... and my husband's death will not be in vain," she said. "All I know is that my husband lived his life according to his beliefs and principles. He did not want to compromise." (AP, Reuters).

Blood disease prevalent in Jezreel Valley

By DAVID RUDGE
Jerusalem Post Reporter

HAIFA. — A relatively high proportion of residents in the Jezreel Valley region suffer from some form of genetic blood disease. That is the conclusion of a survey conducted over the past 15 years by a team of Kupat Holim Clalit specialists.

The findings revealed that of 2,500 patients examined, 1,000 had a mild form of either sickle cell anemia or thalassemia. A further 40 suffered from a severe form of either of the diseases.

The findings indicated that the incidence rate is higher in the Jezreel Valley than other parts of the country, because Arabs and Jews of oriental origin constitute nearly three-quarters of the region's 230,000 inhabitants. The diseases are known to occur most frequently among people from such ethnic backgrounds.

The diseases are perpetuated by inter-family marriages, which are still fairly common in the region. In cases of pregnant women, where both parents are known to suffer from either of the blood disorders, amniotic tests are carried out. If these show that the fetus has a severe form of either disease, an abortion is recommended.

The survey team reported that the genetic blood diseases, which attack and destroy the red blood corpuscles, stem from chromosome disorders which result in abnormal hemoglobin levels.

The physical and mental development of patients suffering from a severe form of either disease is seriously impaired and their life expectancy is short. There is no known cure.

The survey showed that those afflicted with the milder form of either disease tend to be physically weaker and more prone to illnesses than the average person. This manifests itself particularly in children who, according to the survey, visit clinics four times more often than others of their age.

The investigation revealed that doctors sometimes tended to diagnose the problem as a shortage of iron in the blood and prescribed iron injections. This served only to increase the iron content but did nothing to alleviate the problem.

The survey, the first of its kind in the country, was led by Giora Korkash, head of the laboratory at Kupat Holim clinic in Afula. It proved that the diseases, which are relatively common in Israel, need to be investigated more thoroughly.

A further survey, this time involving 5,000 patients, is planned to try to diagnose more cases of abnormal hemoglobin.

2 lawyers petition High Court against tax authorities

Two attorneys under investigation by income tax authorities yesterday petitioned the High Court of Justice, to instruct the tax authorities, the Tel Aviv Magistrates Court and the Tel Aviv district prosecutor to show cause why search warrants issued against them should not be cancelled and documents seized from their offices and home returned.

The orders nisi were requested by attorneys Yosef Yerushalmi and Dan Cohen, a former district court judge. The two also asked the court for a restraining order enjoining tax authorities from examining the seized documents.

Supreme Court Alternate President Justice Meir Shamgar ruled that the petition be heard by a panel of justices.

Yerushalmi and Cohen stated in their petition that tax investigators used "coarse brutality" in searching their offices and homes, and seized documents "indiscriminately."

On August 8, Yerushalmi said he was then kept in jail for five days, in a cell with drug and assault suspects.

While they have not been allowed to examine or photocopy documents taken from them, the petitioners say the tax authorities leaked selected portions of these documents to *Yediot Aharanot*, which published them and placed the lawyers' reputation and livelihood in jeopardy. (Iim)

NBA all-star team arriving for games

Post Sports Reporter
The National Basketball Association All-Star team were due to arrive yesterday evening to participate in a three-game exhibition series starting Thursday at Yad Eliyahu stadium in Tel Aviv. The series continues at Na'aman on Friday and in Jerusalem on Sunday.

The top U.S. team is led by Larry Bird of the Boston Celtics, currently considered the best all-round

player in the game. Bird has just received a special \$10,000 Seagrams award after being selected the NBA's No. 1 player.

Mike Newlin, formerly of the Houston Rockets and now of the New York Knickerbockers, remained behind to survey hurricane damage to his Texas home. But Newlin has notified the organizers he still plans to come.

בית דין אמת
Yeshiva University mourns the loss of
Harav AHARON SHATZKES ז"ל
Rosh Yeshiva for 40 devoted years
May his family be consoled among the mourners of Zion and Jerusalem.
Hesped at Mir Yeshiva today, August 22, 1983 (Eilul 13)
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CONNIE NAJMARK ז"ל
there will be a graveside memorial service at the Kfar Shmaryahu Cemetery on Thursday, August 25, 1983 at 4 p.m.
The Tel Aviv Chug of American Mizrahi Women

Dorit (nee Adler) and Art Silver
are pleased to announce the
birth of their daughter
granddaughter to Eva and Ludwig Adler
Los Angeles, 15.8.1983.

The ENGLISH SPEAKING CHAPTER of
EMUNAH-NATIONAL RELIGIOUS WOMEN'S ORGANIZATION
express sincere condolences to their *chavera*
Bea Broide
on the loss of her dear father
TUVIA SHAPIRO ז"ל

The memorial stone in loving memory of
BERT I. LEBOW
will be dedicated
on Thursday, August 25, 1983 at 4:30 p.m. at Har Hamenuhot, Jerusalem.
Transport will leave from 59 King George Street at 4 p.m.
The Family

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HOME NEWS

Obligations of citizenship don't apply to Golan Druse

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — The government has virtually abrogated the controversial Golan Heights Law — which extends Israeli law to the area — as far as its 14,000 Druse residents are concerned.

It was learned yesterday that the government has officially exempted the Golan Druse from the Compulsory Military Service Law. Furthermore, they will not be obliged to accept Israeli citizenship.

Israeli law was extended by the Knesset to the Golan in December

1981; it was met by strong opposition by many Druse. When the government attempted to force them to accept Israeli identity cards, they launched a general strike that lasted five months.

The Druse will still be required to carry Israeli IDs, which foreign residents of Israel also carry, but they need not enter a "nationality" description.

The government's decision to exempt them from compulsory military service (which applies to Israeli Druse) was conveyed to their spiritual leader, Sheikh Salman

Taher, by the Interior Ministry's northern representative, Israel Koenig, in June, but has only now become known.

Koenig wrote that the defence minister had "authorized" him to inform them that the Compulsory Military Service Law would not apply to them.

At a later date, Koenig informed the Druse community that they would not be "forced" to accept Israeli citizenship.

This now means that the Golan Heights Law applies fully only to the 3,500 Jewish settlers in the

Golan, more or less returning the situation of the area's Druse to what it was before the Knesset acted.

The Jerusalem Post has learned that the Golan Druse leadership is still demanding the resumption of the fortnightly border meetings with their relatives in Syria; the free sale of their farm produce to Syrian markets; regular home leave for the 56 Golan students in Syrian universities and permission for more to study there.

They said Syrian authorities have agreed to these demands, provided the Israeli government concurs.

Gush Emunim sending 10 envoys to U.S.

By JUDY SIEGEL
Jerusalem Post Reporter

Gush Emunim is sending 10 emissaries to New York to encourage American Jews to immigrate and settle in Judea and Samaria. Seven of the emissaries will receive partial funding from the World Zionist Organization.

Rabbi Moshe Levinger of Hebron, who heads the Gush Emunim aliya committee, said yesterday that the scheme was planned "in coordination" with WZO Executive Chairman Arye Dulzin.

Ilan Rubin, deputy director-general of the WZO aliya department, confirmed to The Jerusalem Post that his department will pay \$30,000 of the \$50,000 cost of one emissary.

"The emissaries will have to find their own offices

and won't work out of our facilities at 515 Park Avenue," said Rubin. "They'll work in the encouragement of aliya and not in processing of applications, which is solely in the hands of our emissaries."

Rubin added that funding for one emissary by the aliya department is conditional on how well he does abroad, and is for one year. Subsidizing the Gush Emunim emissary is not unusual, he asserted, since "we have in the past helped the Conservative Movement, Reshit Geula (an Orthodox group) and others."

Meanwhile, Levinger said that the Tora Education in the Diaspora Department of the WZO will help fund his other emissaries, who will go as "teachers" rather than as official aliya shlichim.

Dulzin is abroad and unavailable for comment.

PERILS, OPPORTUNITIES SEEN IN MOSHAV MESS

(Continued from Page One)

of 130 per cent-plus, the inflationary impact of any such exercise will be enormous and whatever will be done will have to be done carefully and over a protracted period. The present crisis will not be solved by merely playing around with the rate of exchange," he says.

Eiland goes further in accusing his Likud successors at Agriculture with responsibility for the crisis. He says that all the Likud ministers over the past six years have failed to deal with the growing problem of the European Community as our main customer for farm exports.

The erosion of Israel's position in EC markets is certainly not of the Likud's making, he says, but much more could have been done in the various European countries to drive home the truth that a Europe that will not buy farm products from Israel at reasonable and non-discriminatory terms will not be able to sell its industrial exports to Israel either.

This, he says, was being done by the last Labour government six years ago, but was totally neglected by the Likud since.

Moshavniks interviewed generally chimed in with the charge of neglect by the Likud ministers compared with the previous Labourites.

"Time and again we were told by moshav farmers that Arik Sharon as minister had been totally involved with being settlement czar in the territories and paid no attention whatever to the agricultural sector which had been entrusted to his charge."

Others added that the late Simha Ehrlich, who had taken over from Sharon in the second Begin government, understood nothing about agriculture and acted accordingly.

Others point to the role of Yigael Hurvitz, who as the Likud minister of finance had cut government subsidies on farm products very sharply.

All of these complaints, to be understood correctly, must be viewed against the background of Labour's attitude of 60 years standing to the farm sector as the blue-eyed boy of the Zionist adventure. Labour ministers of agriculture, from Pinhas Lavon through Kadish Luz, Moshe Dayan, Haim Gvati and Aharon Uzan, had viewed themselves primarily as spokesmen for the farmers' interest in the government and acted accordingly.

Neither Sharon nor Ehrlich did this. Grupper can be expected to revert to the earlier Mapai-Labour pattern, but to his misfortune and that of his farmer constituents, he will be doing so at a time when the government will be dominated by the need to cut budgets to the bone.

Agriculture may well have been



A member of Moshav Sde Nitzan in the Negev harvests his tomato crop in better days. (Joan Bortsen)

itself in the last decade in a growing number of Likud voters in the moshavim, which were formerly Labour strongholds. This happened not only in those populated by former North Africans, who could have been expected to be attracted to the special charisma of Menachem Begin.

This opposition has now emerged again in a number of movements such as the "Ideological Circle on Settlement" and the "Movement for the Liberation of Agriculture."

Herzl Masie, who came to Nahalal in the early 1920s with his mother from the U.S., is a veteran member of this opposition and an articulate spokesman for its point of view. We met him sitting on the lawn of his house in Nahalal writing an article on recent events for Ha'aretz.

He agrees that the Likud's rate of exchange policy has had catastrophic effects, but he does not regret voting for the Likud the last few times, and of being active in establishing its predecessor, Gahal, in 1965, as part of the opposition's fight against the Mapai-sponsored moshav law.

"What I regret is that the Likud government has not been strong enough to bring about the needed reforms. But we went on as if Labour had continued in power longer than it did."

The moshav today is an entirely different world from what it used to be, he said. "It is essential that there be a natural selection and that the failures in the moshav be weeded out, to enable the successful ones to make it."

Labour cosseted the kibbutz and moshav farmers and the Likud has neglected them," he readily admitted. "But I am opposed to such unnecessary cossetting and to the political corruption that grows out of it."

Masie and other leaders of the opposition are focusing their sights on breaking the individual moshavnik's coerced dependence on the aguda and the regional purchasing organizations.

The Likud's Grupper is profoundly aware of the political implications of the ferment, both as a threat to the Likud and as a possible prospect for making Likud gains among the disaffected. The latter will depend nearly entirely on the availability of large sums of money to bail out foundering moshav farms and Grupper has already gone on record with a proposal for a "Project Moshav Renewal" along the patterns of the urban renewal programme.

Labour leaders of the moshav establishment like Hadar and Eiland are banking on alternative strategies of specialization on high-profit agricultural exports and on industrialization of the moshav, something they formerly opposed.

What all are agreed on is that there must be a shakeout of unproductive farmers to enable the basically healthy farms to weather the storm. (This is the third in a series of articles).

Week-long seminar ends in Jerusalem Democracies draw on Jewish law

By ROBERT ROSENBERG
Jerusalem Post Reporter

While most secular Israelis associate Jewish law with problems like airline flights on Saturday, kashrut, and the intricate problems of coalition politics, a week-long seminar in Jerusalem has shown that contemporary law in western democracies draws heavily on the philosophical underpinnings of Jewish law.

Indeed, when retired U.S. Supreme Court Justice Earl Warren wrote the famed Miranda opinion, the watershed decision on self-incrimination by an arrested suspect in modern America, he prominently quoted the Rumbach, and noted the Talmud's strict rejection of self-incrimination.

The seminar, which ended last night, was organized by deputy attorney general Nahum Rakover, who specializes in Jewish law and its place in Israeli legislation and the courts.

Some 150 participants from the U.S., Europe and Australia took part in the deliberations, which ranged in subject matter from human rights, marital rape, and medical law, to problems of extradition, the kibbutz as a legal structure, and self-incrimination.

Each of the four days of discussions was devoted to a different issue in the Biblical and Talmudic sources of contemporary law. Among the participants were leading legal lights in the U.S. Co-chairman with Rakover was New

York Supreme Court Justice Alfred Kleiman.

"None of this has to do with kashrut, Shabbat, pigs or the territories," Rakover explained in an interview with The Jerusalem Post. "It has to do with the philosophy of Jewish law, and legal questions that might find their answer in the Bible and Talmud."

Typically, Rakover said, the issues under discussion dealt with comparing Jewish law with contemporary law.

For example, "In Jewish Law," he said, "the Talmud sought legal ways to encourage morality, while English law, for example, considers irrelevant problems of motivation."

The implications of what Rakover calls the encouragement of morality become evident in a proposed piece of Israeli legislation on the subject of unjust enrichment.

The bill tries to answer problems regarding compensation for victims of unjust enrichment, problems regarding unintended profit, and the problem of innocent bystanders.

For example, said Rakover, how should the law deal with the problem of a man, who in his efforts to save the life of another person, damages private property? Under Jewish law, the rescuer is not liable for damages, while under English law, the rescuer may indeed be liable.

Since 1980, the law of the country has been that whenever possible, the courts should look to what Rakover calls "the Jewish tradition" for guidance in their decision making.

That tradition, says Rakover, includes the Bible, the Talmud, the "prophetic vision" and other "sources of wisdom" in Judaism. And in new legislation brought to the Knesset, the Justice Ministry — which is responsible for drawing up the legislation — also seeks to find Jewish sources for the new laws.

Another example of Jewish law providing guidance to law-makers throughout the western world is on the issue of interference with the mails — including wire-tapping.

A thousand years ago, Rabbi Gershon, known as "the Light of the Exile," strongly ruled that opening another person's mail is forbidden, and could only be permitted if at stake is an effort to persuade someone to give up Judaism for paganism.

In modern terms, says Rakover, telephone tapping is a logical extension of this issue. "Indeed, strict adherence to Jewish law would make it absolutely illegal to tap a telephone except for cases in which the preservation of the security of the nation is involved."

Rakover, his Justice Ministry office a virtual library of Jewish law, is a passionate believer in the need for Israel's independence to be actualized in the independence of its legal system.

"The law is the critical factor in Jewish culture," he says, adding that "to base the law of this country on its Jewish roots would be the fulfillment of the ideals of the state's founders, in their hopes that Israel would be a unique state, different from all others."

Correction

In The Jerusalem Post poll published yesterday, the pro-Likud and pro-Labour columns under the question "Whom do you prefer as leader of the Labour Party?" were inadvertently reversed.

The response to the question among pro-Labour voters should have read Yitzhak Rabin, 36.9 per cent, and Yitzhak Navon, 34.4 per cent. Among pro-Likud voters, the response was Rabin, 47.5 per cent, and Navon, 12.9 per cent.

SHOWROOM. — Dirit Regba plans to invest \$150,000 in opening a 500 square metre showroom on Madison Avenue in New York to market Israeli household goods, including furniture. The company believes that within a few years annual sales will be in the \$2 million a year range.

2 men on trial for brutal rapes

TEL AVIV (Ilim). — Two men, one aged 29, of the Abu Rujeib Beduin tribe, and the other, aged 22, of Tel Sheva, who are charged with a series of brutal rapes, will remain in detention until August 31, when the court will rule on the prosecution's request that they be detained until the end of their trial.

According to the charge sheet, the two specialized in stealing cars, then picking up women waiting on the road for a lift, particularly in the evening hours. They would drive them to a deserted spot, the charge sheet says, then brandish knives, threaten to kill the protesting women, and rape them, often taking turns.

On one occasion, according to the charge sheet, the older accused picked up a woman soldier at Bilu junction and promised to let her off at Kiryat Ekron. But when they approached her home, he increased his speed and a second man in the car grabbed her around the neck to keep her from crying out.

On another occasion, it is charged, the two accused deviated from their custom of picking up women on the road. This time they followed a woman driving a car from Ashdod junction towards the port. They overtook her and forced her car to the side of the road.

Armed with a full description of the two accused, the police launched a manhunt, which was hampered by the fact that the older accused had fled the country. He was caught only recently.



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Simon & Garfunkel plan Israel concert

Jerusalem Post Reporter

TEL AVIV. — The famous rock duo Simon and Garfunkel are to make a single performance in Israel, September 24 at the Ramat Gan football stadium.

Paul Simon and Art Garfunkel, who split up several years ago, joined together for only four concerts, the fourth one to be held in Israel. The first in New York's Central Park drew 500,000.

Simon and Garfunkel are sponsored by the Israel Variety Club to whose charities the entire proceedings will be dedicated. The singers will be accompanied by a 35-piece band.

Beduin man dies after brawl over land rights

Jerusalem Post Reporter

BEERSHEBA. — A Beduin man of the Abu-Rekaik tribe died yesterday morning of wounds he suffered in a fight over land rights on Saturday night, police reported. He was identified as Mussa Siltan Hassan Abu-Safit, 45.

Another Beduin man wounded in the incident is reported in serious condition at Soroka Hospital, while a third was treated and discharged.

Police said the three were wounded by knives and clubs in a fight with eight other men from the Abu-Safit faction of the Abu-Rekaik tribe.

When the news of Abu-Safit's death reached Hura, the giant encampment along the Beersheba-Arad road where the faction lives, the eight men picked up their wives, children and animals and fled. They are believed to have taken refuge with another tribe, but police have their names.

ESPERANTO. — The 52nd congress of the Junior Esperanto Organization will be held in Israel in 1986. It was decided at the World Esperanto Congress at Budapest.

TELEPHONES. — A telephone exchange inaugurated yesterday in Hadera will enable the installation of some 10,000 additional lines in the area.

CORRECTION

JIA
JEWISH ISRAELI ASSOCIATION

PROJECT RENEWAL ASHKELON

In Friday's ad regarding a guided tour of Ashkelon, there was an error in the time given for coaches to leave the Dan Hotel, Tel Aviv.

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8.30 a.m.

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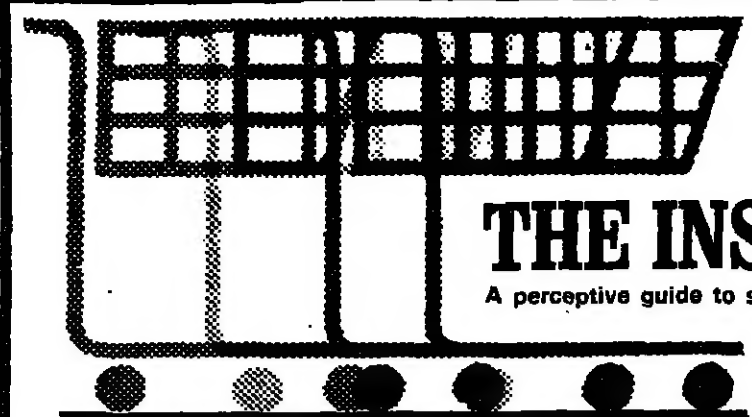
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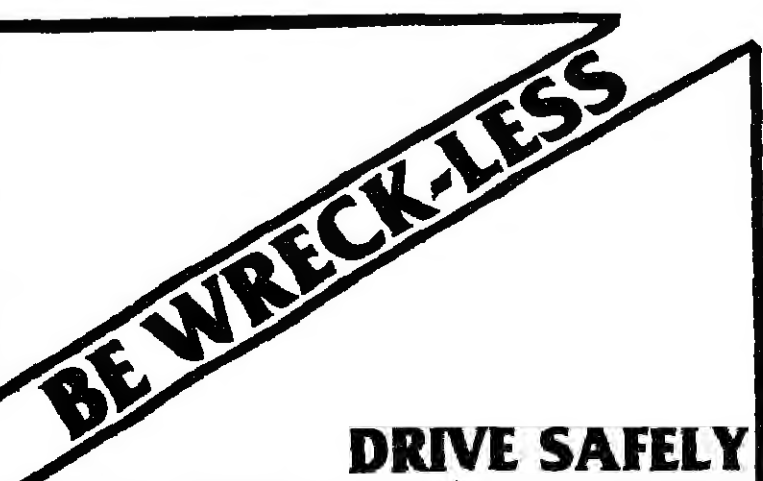
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BE WRECK-LESS

DRIVE SAFELY

New coalition in South Africa to fight against apartheid

MITCHELL'S PLAIN, South Africa (AP). — Thousands of anti-apartheid activists gathered Saturday to launch the broadest coalition in nearly three decades to fight white domination in South Africa.

Delegates of all races from 320 community groups, trade unions, women's groups, and student organizations descended on a civic centre, a half-hour's drive east of Cape Town, to create what is called the United Democratic Front.

Later, at an evening rally, thousands more supporters packed a hall and a tent set up outside to handle the overflow.

There was a very low-key police presence, though officers in street clothes used binoculars to observe people joining the sessions. One organizer estimated the crowd at 20,000.

"I believe we are standing at the birth of what could become the greatest and most significant people's movement in more than a quarter-century," said the Rev. Allan Boesak.

Boesak, the "coloured" (mixed-race) president of the World Alliance of Reformed Churches, inspired creation of the front with an address in January.

He called for a coalition of the groups fighting Prime Minister P.W. Botha's plan to give the coloured and Indian minorities a limited say in the whites-only government.

Since then, community groups across the country have organized local branches of the front, setting the stage for the national launching Saturday.

Helen Joseph, the 78-year-old apartheid foe who had been banned repeatedly by the government until last year, said the front is the most far-reaching opposition since the Congress of the People in 1955.

In Durban, the Sunday Tribune yesterday reported that the president of the World Alliance of Reformed Churches, an opponent of apartheid, has been receiving increased numbers of death threats since returning from the World Council of Churches Assembly in Vancouver.

But the Rev. Allan Boesak told the newspaper that "these calls are not new. I have been getting them for some time, but since returning from Canada there have been a lot more than usual and they have been especially vicious."

Salvadoran rebels say new meeting set with U.S. envoy

WASHINGTON (AP). — Political leaders of the leftist rebels trying to overthrow the U.S.-backed government of El Salvador are to meet "sometime in the coming days" with President Ronald Reagan's Central American envoy, Richard Stone, a spokesman for the guerrillas said Saturday night.

Francisco Altuchul, a Washington-based spokesman for the Revolutionary Democratic Front-Furabundo Marti National Liberation Front, said the meeting would take place in Latin America and would have an "open agenda."

He would not specify the time or place.

He said arrangements for the meeting were made with the help of

Costa Rican President Luis Alberto Monge and Colombian President Belisario Betancur.

Altuchul also said the leftists would meet with the Salvadoran government's National Peace Commission in the next few days to lay the groundwork for broader talks on issues important to both sides.

Meanwhile, in Nicaragua, rebels intensified their attacks in two northern provinces on Saturday and the left-wing Sandinista government said it was preparing for a major invasion by the Honduras-based insurgents.

Defence Minister Humberto Ortega said the government expects the new rebel offensive to be launched within a few days.

British 'breadline' study: 7½ million live in poverty

LONDON (AP). — Seven and a half million Britons are living in poverty and 750,000 in "intense poverty," according to a new survey published in The Sunday Times.

More than seven million Britons have had to go without food for some period over the last year because they did not have enough money, the paper reported.

Six million people are behind in paying gas and electric bills.

The Sunday Times said the survey of 1,174 people is the first detailed examination of poverty in Britain for more than a decade. It was commissioned by London Weekend Television, the capital's weekend commercial station for a new series called "Breadline Britain."

The paper pointed out that the study, rather than concentrating on income levels to determine poverty, defined it in terms of what the people questioned considered to be necessary for a decent life.

Two-thirds listed home heating, an indoor toilet, a damp-free home, a non-shared bath, three meals a day for children and money for public transport.

Other necessities included a warm winter coat, children's toys, a refrigerator, meat once a week and a washing machine. Fifty-one per cent listed a television set.

"The inclusion of items which would have been seen as luxuries a generation ago indicates that basic expectations are rising in line with improvements in general living standards," The Sunday Times said.

Those considered to be poverty-stricken include Britain's three million unemployed, the country's 900,000 single-parent families and the elderly.

Britain's total population is 55 million.

Polish government steps up campaign against Walesa

WARSAW (Reuters). — A government barrage of mockery and insults against the leader of the banned Solidarity union, Lech Walesa, reached a new high point this weekend as the union's third birthday approached.

The campaign to discredit Walesa was stepped up as a possible new confrontation loomed between the government and Solidarity activists on the anniversary of the industrial strikes which led to the union's creation.

A clandestine committee of shipyard workers (TKZ) has called for a nationwide go-slow starting tomorrow, if the government fails to start new talks with Walesa by today.

The authorities reacted sharply to minor street protests in Gdansk last week and have shown they will crack down hard on any signs of public dissent.

The communist government on Friday dissolved the Polish Writers' Union, the last of the independent trade and professional guilds which challenged the authorities in the 1980-81 Solidarity era.

U.S.-Soviet litmus test predicts Reagan re-election

WASHINGTON (Reuters). — If President Ronald Reagan runs for re-election in 1984 he will win, according to a political litmus test devised by a U.S. historian and a Soviet scientist.

"Predict a Republican victory if Reagan runs again," historian Alan Lichtman of American University, told a lecture audience, explaining that he had devised his scheme for predicting elections along with Soviet scientist Volodya Kellish-Borok, who predicts earthquakes.

The two met at California's Stanford University in 1981 and, hypothesizing that elections are much like earthquakes, produced a list of 13 indicators or "keys" which they applied to every presidential election since 1860.

Lichtman said that the keys point to a solid Reagan victory in 1984, despite polls that now show him trailing Democratic rivals, just as they foretold a defeat for Jimmy Carter in 1980, although he had led Reagan in some opinion surveys.

Based on election patterns of the past 120 years, an incumbent's chances of winning are raised each time he can answer "yes" to six questions.

Lichtman said history shows that if six or more of the 13 questions go

Belgium expels 5 East bloc officials on spy charges

BRUSSELS (AP). — The government has told five Soviet Bloc diplomats to leave Belgium on charges of economic espionage for paying for information from a Belgian official, sources said yesterday.

A certain number of diplomats, embassy members, have been asked to leave the country urgently, Foreign Minister Leo Tindemans said.

He did not say how many diplomats were asked to leave, but sources said five diplomats were involved. Belgium's French-language radio network said two were Rumanian and one was Soviet and that they had left during the weekend.

Tindemans said a Foreign Ministry official, Eugene Michiels, 60, had been arrested for passing information to the diplomats in exchange for money.

One source described Michiels as "a mid-level official" who headed the European Coordination Section which deals with the European Economic Community's internal trade.

"But he was in contact with sections dealing with Comecon (the Soviet-led East European trade bloc) and had access to information about the EC's external trade," said this source. "He gave them information in exchange for money. This had been going on for months."

9 die in another Egypt house crash

ALEXANDRIA (Reuters). — The death toll after the collapse of a seven-storey building here on Sunday night rose to at least nine yesterday as rescue workers continued dragging bodies from the rubble, police said. Ten people were injured.

The search continued for the bodies of six more people believed to have been in the building at the time. Among the injured were four baby girls aged between 10 days and one year.

In another incident in Cairo on Saturday, 18 people were killed and 16 injured when three adjoining houses collapsed. The death toll in such accidents in Egypt so far this year now stands at more than 120.

Officials said the two latest collapses were caused by the addition of extra floors to buildings without permission. Under a two-month-old law, landlords can face five to 10 years' imprisonment and minimum fines of 50,000 Egyptian pounds (\$60,000) for such illegal building.

Egyptian opposition party to reactivate itself

CAIRO (AP). — The New Wafd Party, an opposition group which disbanded itself in 1978, has decided to re-enter the political arena, a party spokesman said here yesterday.

In a statement read to reporters at the home of party leader Fuad Seragaddin, spokesman Noman Ashour said: "Taking into consideration that conditions have totally changed ever since President Hosni Mubarak came to power in the fall of 1981, the party has decided to come out of its self-inflicted political hibernation, and will resume its activities."

It was not known whether the government would allow the New Wafd to operate at once under its old licence or would require it first to apply for a new licence.

The right-of-centre New Wafd Party dissolved itself in June 1978, less than a year after it was founded, because of a restrictive law enacted by the late president Anwar Sadat.

The law disqualified politicians who held office before the 1952 revolution from assuming leadership positions on the grounds that they had corrupted political life under the monarchy.

Eastern U.S. swelters in heat wave

NEW YORK (AP). — Record-high temperatures broiled the Atlantic coast and edges of the midwestern U.S. on Saturday.

As temperatures soared, records were shattered in Pennsylvania, Washington, D.C., Virginia, Ohio, Tennessee and West Virginia.

The mercury hit 38.3 centigrade at Washington's National Airport on Saturday, breaking the old 37.7 centigrade mark for August 20 set in 1874.

Basketball From Another World NBA Stars in Israel

Thursday, August 25

Yad Elihu Stadium, 8.30 p.m.

Friday, August 26

New Naaman Basketball Stadium, 8.30 p.m.

Sunday, August 28

New Jerusalem Basketball Stadium, 8.30 p.m.

TICKETS: Hadran, and all agencies.

TOSHIBA

The players are staying at the Herzliya Sheraton

Sports

Soaring skyward

LONDON (Reuters). — Ulrike Meyfarth of West Germany and Tamara Bykova of the Soviet Union each set women's world high jump records of 2.03 metres when the European Athletics Cup concluded at Crystal Palace yesterday.

Meyfarth and Bykova each added one centimetre to the world record of 2.02 metres Meyfarth had set a year ago.

Meyfarth, who first set a world record 11 years ago aged 16, won the event because she cleared the height at the first attempt, the Soviet jumper managing it only on the second try. Bykova has already cleared the same height indoors.

The triumph provided solace for the friendly German athlete as she had been beaten for the gold by Bykova in last week's world championships in Helsinki.

East Germany comfortably captured both the men's and women's titles beating the Soviet Union, Czechoslovakia and Britain among the men and the Soviet Union, West Germany and Britain in that order among the women.

420 championships off to-day

Post Sports Reporter

TEL AVIV. — There will be a feast of colour off the coast-line here all week as a total of 45 crews from 13 countries contest the somewhat decimated world championships in 420 class sailing.

President Chaim Herzog will fire the starter's gun for today's inaugural race which follows the 1 p.m. opening ceremony at the Hilton Hotel Beach. The colourful championships conclude on Saturday.

Israel will put to sea 14 dingies, the other principal contestants coming from France (six crews — including that skipped by defending world champion William Sanchez), and from Italy and West Germany (five crews apiece).

Two Spanish crews also arrived yesterday but expected competitors from Belgium, Brazil, Finland and Switzerland had not turned up by last night. "We have no idea why these countries failed to send crews as planned. No explanation has been forthcoming," Danny Scheinin, president of the Israel 420 Class Association said.

Lendl succumbs to heat and Wilander

MASON, Ohio (AP). — John McEnroe and Mats Wilander of Sweden qualified for the finals of the \$375,000 Association of Tennis Professionals championship here after Wilander upset second-ranked Ivan Lendl 6-0, 6-3 while McEnroe defeated Jimmy Connors 6-7, (7-5), 6-1, 6-4 in a marathon second semifinal.

"It was a great match," McEnroe said of their titanic clash. "We both played pretty well. I don't think you're going to see a better match than that anywhere. Of all the matches we've played, this is one of the best."

McEnroe and Connors have played each other 22 times, with Connors still holding a 12-10 edge.

Wilander used an effective serve and took advantage of unforced errors by Lendl to hammer the Czech. "It was the best I ever served," said Wilander after the match, which took only 55 minutes. He took only 21 minutes to dispatch Lendl in the first set, played in 38°C heat.

Lendl, who had lost to McEnroe in the semis at Wimbledon took the defeat in his stride. "I'd rather have a bad day now than in the U.S. Open," he said of the tournament that starts a week today at Flushing Meadows.

Martina Navratilova and Chris Lloyd set up their clash when they qualified for the final of the women's championship in Toronto. Navratilova put out Hans Mandlke 6-1, 7-5, while Lloyd easily beat Elise Burgin 6-2, 6-0, in her semi-final.

SCOREBOARD

SWIMMING: The Soviet Union clinched the first title of the European championships in Rome when 15-year-old Alla Lobashukina took the women's highboard diving final ahead of compatriot Angelika Stepanovich. In Canada the U.S. kept up its success on the world's top Pan American Games when Randy Gaines and Bruce Hayes each picked up their third gold in the pool while Wendy Wyland won the 10m diving event.

YACHTING: Courageous, a yacht which has twice won the America Cup, continued its rebellion in an effort to win the right to serve as the U.S. entry in the final challenge series scoring three line wins over sailboat Defender. On the other hand, the yacht Arrabelle II has already clinched a berth in the semi-finals, among the challengers.

In the Barbie Case, the State Department Apologized

What Job Specifications Call for a War Criminal?

By STUART TAYLOR Jr.

WASHINGTON — United States intelligence agencies, like many others, have long operated outside the boundaries of ordinary law, pursuing national security by means ranging from deception to attempted assassination (now formally forbidden), in alliances with foreign dictators and on occasion with Mafia leaders and alleged war criminals. The scheme by which Army intelligence officers helped Klaus Barbie escape prosecution for war crimes in France, copiously documented by the Justice Department in a 218-page report last week, shows the extremes that have been resorted to in the fight against Soviet Communism, and the fine lines that must be drawn in passing judgment on them.

The report, by Allan A. Ryan Jr., also leaves lingering questions. Can the American intelligence officers who first recruited Mr. Barbie as a paid anti-Communist spy in 1947 be charged with knowledge that they were dealing with an alleged war criminal, relatively obscure then but now known widely as "the butcher of Lyons"?

Was the Barbie case highly unusual, or was it part of a pattern of alliances of convenience between American intelligence officers and alleged Nazi war criminals as the Cold War got under way? Mr. Ryan, whose five months investigating the Barbie case followed three years as head of a special unit seeking to deport Nazi war criminals from the United States, said he had found some use of former Nazis as informants but no other case resembling the protection of Mr. Barbie. But Elizabeth Holtzman, the Brooklyn District Attorney who as a member of Congress took a special interest in immigration matters and Nazi war criminals, asserted that this "is only one of many disturbing cases in which United States authorities aided suspected Nazi war criminals."

Such questions and contrasting perspectives reflect the difficulty of reconstructing events and assessing states of mind rather than apparent flaws in the Ryan report's meticulous and balanced summary of available evidence.

The report's central conclusion, which spurred the State Department to make a rare apology to another country, emerges irrefutably from the 600 pages of documents released with it. After learning in 1949 and 1950 that Mr. Barbie was

wanted by the French for murder, torture and other war crimes, Army intelligence officers continued to use him as a paid informant in occupied Germany, hid him and finally smuggled him to South America in 1951.

The reasons for this course are reflected in documents such as a December 1950 memorandum to a superior from Captain Walter Unrath of the Army Counter Intelligence Corps in occupied Germany. While recommending that the Army disassociate itself from Mr. Barbie because of allegations that he had "tortured and killed many French patriots," Captain Unrath noted that sending him to stand trial in France would lead to the disclosure that "this unit has probably used the services of a war criminal and protected such person." Several other "unsavory personalities" that have been protected and employed "might also be exposed, and American intelligence secrets known to Mr. Barbie might fall into the hands of French Communists and their Soviet allies.

Riding 'the Rat Line'

With such concerns in mind, Army intelligence officers told their civilian counterparts falsely that they had lost contact with Mr. Barbie, and smuggled him out of Europe in early 1951 through an underground railroad for Soviet bloc defectors and informants dubbed "the rat line." It was operated by another unappealing figure, a Croatian priest who was described in one Army document as "a Fascist, war criminal, etc."

Mr. Barbie and his family sailed from Genoa to Argentina and made their way to Bolivia, where he prospered for 32 years, until a new Government expelled him in February to France. He now awaits trial for "crimes against humanity," including the murder of Jews and deportation of thousands to death camps. It was France to which the United States apologized.

While Mr. Ryan's report faults a half dozen Army officers for interfering "with the lawful and proper administration of justice" by shielding Mr. Barbie from the French, it also concludes that the initial decision in 1947 to use him as a spy, while subject to criticism, was "a defensible one" made by "conscientious and patriotic men faced with a difficult assignment." The latter conclusion hinges on two judgments. One is that those who recruited Mr. Barbie did not know he



Klaus Barbie in Bolivia before being deported.

was wanted as a war criminal. The other is that the "legitimate and pressing need" for effective intelligence to counter the Communist threat in postwar Germany was at least a plausible justification for employing a man known to have been head of the Gestapo in Lyons.

Mr. Ryan, while taking pains not to judge the American handlers of Klaus Barbie too harshly, acknowledged that a more jaundiced eye than his might draw a less generous conclusion. He described the Gestapo as "the secret police whose weapons were terrorism, torture and death." And he disclosed that even a cursory check in 1947 would have revealed that Mr. Barbie was listed on a central Allied registry of war criminals as wanted in France for "murder."

These factors were outweighed, he concluded, by other documentary evidence indicating that neither American intelligence officers nor French officers who questioned Mr. Barbie several times while he was in American hands in 1948 and early 1949 had given much credence to the registry or had discussed him as a suspected war criminal before mid-1949 or 1950. Miss Holtzman, while stressing her "immense respect for Allan Ryan," said in an interview that "for me to accept that conclusion, I would have to believe either that these people were very unintelligent or that they wore the narrowest of blinders."

The World

Chile Goes From Protests To Promises

The Chilean military regime's resolve to delay the return of democracy as long as possible seems to weaken with each wave of protest. Last week, after demonstrations that caused the death of at least 24 people, the new Interior Minister, Sergio Onofre Jarpa, promised Congressional elections before 1990, the date set by the Constitution.

Mr. Jarpa was vague on dates in an interview with the Santiago daily *El Mercurio*, but went further than the regime has before in trying to appease an increasingly restive population. The Constitution, which provides for continued rule by Gen. Au-

strong and said central planning would be strengthened, not eliminated. Relatively few people would be affected, he added, by a crackdown on shirkers and hard-drinkers.

Mugabe's Jeers Greet Nkomo

Joshua Nkomo, the opposition leader who fled Zimbabwe five months ago, returned last week to an ungracious welcome from his former ally, Prime Minister Robert Mugabe, who made it seem clear there would be no reconciliation.

Mr. Nkomo exiled himself when his house was attacked during the height of fighting between Government forces and his Ndebele followers in Matabeleland. He reclaimed his seat in Parliament just as the Government was moving to declare it vacant. The motion was withdrawn with the acknowledgement that Mr. Nkomo's African People's Union would have him reelected him. But Mr. Mugabe refused to withdraw his long-standing charge that Mr. Nkomo's partisans had created the trouble by keeping weapons after the war of independence. He called Mr. Nkomo the "father of dissidents" and demanded that his rebellious partisans lay down their arms.

Mr. Nkomo fears Mr. Mugabe is using the Shona-speaking majority against the minority Ndebeles to eliminate all opposition and establish a one-party state. When the Minister of Police, Herbert Mushemuruzwa, accused Mr. Nkomo of running away from the problems, the latter replied: "I was running away from my grave."

Nigeria Can't Keep the Peace

Just as Nigeria was taking pride in its peaceful presidential election two weeks ago, "thuggery and hooliganism," as officials put it, erupted last week following the voting for state governors. According to the opposition, the thuggery began with the voting. In any case, the result was at least 70 people dead, mainly in the states of Oyo and Ondo where rioting was provoked by charges of rigging in favor of candidates of President Shagari's National Party.

The President's party won 13 out of 29 governorships and his major adversary, Obafemi Awolowo, who had accepted his defeat for the presidency, this time charged "blatant daylight robbery" not only in the state elections but in the presidential election as well. Among the 40 dead in Ondo were two candidates for the Senate, who were set on fire. The election scheduled for yesterday was postponed indefinitely while Oyo's election was put back to Sept. 10.

A Western diplomat called the result in Ondo "beyond belief." The official figures showed twice as many votes cast in the election for governor as for the President. Pat Utomi, a political analyst, concluded that some members of the National Party "took the President's landslide to mean they could go in and grab everything."

... Nor Can Pakistan

In the six years since he seized power, Pakistan's President Zia ul-Haq has repeatedly promised elections that were not held. So earlier this month, when Mr. Zia made his latest promise — elections in March 1985 for national and provincial assemblies — the country's long-suppressed political leaders were skeptical to say the least. Last week, they mixed civil disobedience with violence in an attempt to discredit Mr. Zia abroad and ignite public opposition at home.

At least 12 people were killed in anti-Government demonstrations and looting that started on Pakistan independence day last weekend and continued through yesterday. Police in Karachi used tear gas to break up a crowd of 20,000 at the tomb of Mohammed Ali Jinnah, the country's founder. Borrowing a tactic from pre-independence protests against British rule, politicians there and in the provincial capitals at Lahore, Quetta and Peshawar volunteered to be arrested. Also arrested was Begum Nasim Wali-Khan, who returned last week from exile in London to take over leadership of the Movement for the Restoration of Democracy, a coalition of eight banned parties. Gatherings of more than four people are illegal.

Troops were sent to quell riots in Sind province, the stronghold of followers of Zulfikar Ali Bhutto, the Prime Minister deposed by Mr. Zia in 1977 and later charged for ordering a political opponent's murder.

In Dadu, a town 200 miles north of Karachi, crowds attacked the railroad station, the post office, income tax bureau, telephone exchange, court buildings and warehouses. A military court in Larkana, the Bhutto family seat, gave four protesters sentences of a year of imprisonment with hard labor, heavy fines and 10 lashes each.

Henry Gidiger
and Milt Freudenheim



Police beating demonstrator in Santiago, Chile.

guisto Pinochet until 1980, was approved by two-thirds of the voters in 1980 when Chile was enjoying a boom. Now the country is in the midst of a recession and the public has soured on General Pinochet. Another effort to lessen discontent was announced last week — a program to create 80,000 jobs. Of a work force of 3.5 million, about a third is reported to be unemployed or underemployed.

Mr. Jarpa said the Government would call a plebiscite on amending the Constitution to provide for an election date earlier than 1990. He made no mention of General Pinochet's continuation in office, which the minister is reported to favor. But centrist and leftist groups want an immediate start on restoring democratic institutions and are demanding General Pinochet's resignation. A centrist coalition, the Democratic Alliance, pushed its offensive by calling another protest for next month, the 10th anniversary of the coup against Salvador Allende Gossens.

Moscow Dangles A Weapon Ban

Yuri V. Andropov, the Soviet leader, greeted nine Democratic United States Senators last week and offered a catchy-sounding ban on antisatellite weapons. But Washington, fearful of a possible Catch-22, reacted cautiously. The Russians have "the world's only operational ASAT (antisatellite) system," tested for more than a dozen years, the State Department said. The United States plans its first test-launch of a satellite-killer later this year.

Sen. Claiborne Pell of Rhode Island said Mr. Andropov offered to demolish existing antisatellite systems, ban development of new ones and to ground Soviet antisatellite weaponry if the United States reciprocated. Mr. Pell said he hoped the proposal was "not a ploy but a prelude to serious negotiations." ASAT's could knock out intelligence satellites, thus placing nuclear commanders in a dangerous state of ignorance.

His visitors found Mr. Andropov firm and relatively healthy, but there were indications he still had a way to go to get control of his stone-walling bureaucracy. Summoning senior party officials, he appealed for support for experiments to shake up the sluggish economy. In evident reference to the failure of similar attempts by Leonid I. Brezhnev and Nikita S. Khrushchev, he recalled, "we were not vigorous enough (and) not infrequently we resorted to half-measures and could not overcome the accumulated inertia." Mr. Andropov wants to try out greater control for plant managers, but in only two of the 60 national ministries and a scattering of other regional industries at first.

The chairman of the State Planning Committee, Nikolai K. Baibakov, saw nothing to be ashamed of. A 72-year-old holdover from the Brezhnev era, he insisted the economy (growing at under 3 percent) was



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The World Continued

Druse of Shuf Hold One of Higher Cards In Lebanon

By JAMES M. MARKHAM

BEIRUT, Lebanon — ROBERT C. McFarlane, the President's special envoy in the Middle East, was caught last week in a diplomatic tangle — trying to assuage the fears while meeting some of the demands of one of Lebanon's religious minorities, the Druse sect. The agenda may seem esoteric, but there is concern here that if Mr. McFarlane's mission fails, Lebanon may be plunged into a new catastrophe.

Sometime soon, Israel is expected to pull its troops and armor out of the Shuf Mountains, where the Druse and the Maronite Christians have long feuded like Hatfields and McCoys. The rebuilt Lebanese Army, which splintered along confessional lines in 1976, is supposed to take over from the Israelis. But the Druse believe the army favors the Christians and are consequently demanding a greater share of political power in Beirut as a condition for allowing it into the mountains.

If some of these demands are not met, the Druse, supported by Syrian artillery that can easily reach the Shuf, are expected to fight. A battle in the mountains embroiling the 33,000-man, American-trained army would almost certainly inflame religious passions elsewhere in the country, notably in Beirut, where tensions are already sharpening between Christian militia and the Shiite Moslem paramilitary group called Amal. "The guns are out of the cellar and under the bed," said an experienced Western diplomat, contemplating a scenario in which the army had to fight its way into the Shuf. "In that case," he said, "there may not be much of a country left."

Because of their cohesion and martial character, the Druse have played a role in modern Lebanon out of proportion to their numerical strength of about 200,000. A similar number of Druse live in Syria, and another 50,000 in Israel, where they hold important positions in the army. Their obscurantist religious beliefs and customs are distinct from Moslem sects, deriving from Islam mainly in their worship of the 11th century Fatimid Caliph Hakim as God.

After the Israelis invaded Lebanon last summer, they made half-hearted attempts to disarm the Lebanese Druse, but they backed off after strong protests from the Druse in Israel. Now, as they get ready to pull back to the Awali River, the Israelis appear to be calculating that the Lebanese Army may not be able to pacify the Shuf and that, in such a case, it would serve Israeli interests to be on good terms with the important Druse community just to the north of their new security belt. With the Israelis looking the other way, the Druse have rearm.

A Rift Among Christians

Mr. McFarlane's mission has been mainly to prod President Amin Gemayel toward some form of reconciliation with Walid Jumblat, the most important Druse leader, who has momentarily lined up with Syria against the stillborn American-sponsored withdrawal agreement between Lebanon and Israel. At the same time, the President's envoy has been trying to assure that the Israelis do in fact hand over their positions in the mountains to the Lebanese Army, the principal force on which the United States is counting to keep the country together. Mr. McFarlane was reliably reported to be furious that Moshe Arens, the Israeli Defense Minister, had made a surprise visit to Beirut last week without informing him in advance. Mr. Arens's highly publicized meeting with Christian militia leaders almost caused Prime Minister Shafik al-Wazzan, a Moslem, to resign in protest, and badly complicated the work of reconciliation among the rival creeds and warlords.

The imminent Israeli pullback has opened a quiet but significant rift among the Maronites. Camille Chamoun, a Maronite warlord and a former President of Lebanon, has his home constituency in the Shuf, where he has normally reached understanding with the Jumblat Druse clan. In the wake of the Israeli invasion last summer, some 2,000 fighters from the Lebanese Forces, a private Phalangist militia, entered the Shuf from northern Lebanon, overshadowing the Chamounist presence and irritating the Druse. The Chamounists would like to see these "outsiders" withdrawn, permitting a restoration of the old arrangement with the Druse. So would Mr. Jumblat, who has made it clear that he will not contemplate letting the army in until the Lebanese Forces clear out. In turn, they seem likely to demand a disarming of the Druse militia, or at least a removal of their heavy weapons, before leaving the Shuf. Mr. Gemayel, caught between his own Maronite constituency and his wish to

Israeli attitudes on Lebanon invasion

(Responses to a poll conducted by the Modi'in Ezerach Research Institute and published on June 24)

In view of what you know today, do you consider it justified to have launched war a year ago?

Fully justified 38.5%
Justified but should have stopped at 45 km. line (the Awali River in Southern Lebanon) 37.2%
Not justified 17.0%
Undecided 7.3%

What about troop withdrawal?

Not until the Syrians agree to leave 29.3%
Army should unilaterally pull back to the Awali River (to move being accomplished) 38.9%
Army should unilaterally withdraw 15.5%
Undecided 16.3%



Contact/Alan Rothberg; Camera-Liaison/Moshe Nissim; Israeli tank (above); a cardboard construction made to protest Israel's invasion of Lebanon.

be the President of all the Lebanese, has dwindling influence over the Lebanese Forces. The weapons issue alone could torpedo an agreement. So, too, could Syria, which has considerable leverage over Mr. Jumblat.

The Gemayel Government has bet on the Reagan Administration to deliver an Israeli and a Syrian withdrawal from its territory, and Washington has bet on the Gemayel Government to impose some stability on Lebanon. Without any real alternative, the Lebanese are already beginning to despair of American clout, whether it be with Israel or Syria. The next few weeks will test Mr. McFarlane's nimbleness and persuasiveness with Druse and Maronite politicians and warlords and with their foreign backers. It will also test the resolve of the Lebanese Government and of its one real resource, the army.

Attempts to Arrange a Truce Between Militias Failed Last Week



A discussion between Druse leaders in Beirut.

Steve McCurry

Israelis Will Pull Back With Dreams on the Casualty List

By DAVID E. SHIFLER

ABOUT a year ago, as the Israeli Army had West Beirut under siege, a young Israeli reserve officer looked down on the city from his hilltop base and began to dream aloud. Someday soon, he said, when the war was over and peace had come to Lebanon, he and other Israelis, back in civilian life, would sail their yachts from Tel Aviv to Junieh, the Christian harbor town north of Beirut. He had met the head of the Junieh Yacht Club, he said, and had already made the plans.

Amid the suffering and rubble of last summer's war, there was also something charmingly naive and idealistic about many of the Israeli hopes in Lebanon. The army would destroy evil and make friendship bloom. The Palestine Liberation Organization would be shattered; the Syrians would run for their lives, a pro-Israeli Government would take office in Beirut and Lebanon would fulfill the long prophecy of becoming the second Arab country to make peace with Israel. Some soldiers, traveling through the picturesque villages of the Shuf Mountains, thought how nice it would be when they could drive up there for their families for a weekend.

The dreams are now forgotten. After 14 months in Lebanon, the Israeli Army has scaled down its goals. Gone is the ambition of former Defense Minister Ariel Sharon to realign Lebanon's politics by making Israel's Christian Phalangist allies into the unchallenged strongmen of the country, capable of holding domestic rivals in check and of denying territory to P.L.O. infiltrators. Now the Israeli Army is struggling to pull free from the quagmire of civil war and terrorism and return to what Defense Minister Moshe Arens describes as the basic objective of the war: securing Israel's northern border.

The first step is a withdrawal from the Shuf, where the Israeli presence disturbed the delicate balance of factions, bolstering the Maronite Christians and thereby inadvertently contributing to the upsurge in warfare between Druse and Christian militia. Impatient and frustrated after months of mediation efforts, the Israelis are apparently prepared, in the next week or so, to pull out of the 240-square-mile area without looking back.

Israeli officers hope to coordinate their "redeployment" with the Lebanese Army to avoid leaving a vacuum in the area. The Israelis have also been working for a truce between the Druse and the Lebanese Government. But last week, Mr. Arens and the new Chief of Staff, Lieut. Gen. Moshe Levy, made clear that failure in these two attempts would not deter Israel from the partial withdrawal.

Surplus equipment and ammunition have been removed already, and construction is proceeding on a line

of bases and observation posts along the Awali River, north of Sidon. This new forward position is to serve as the northern boundary of an Israeli-held security zone, forming a broad buffer for Israel's northern border. There will be no fence, Israeli officers say, but a series of watchtowers augmented by armed patrols and electronic sensors to forestall Palestinian guerrillas seeking to get within range of Israel's northern settlements.

The pullback has military, economic and political advantages, as Israel sees it. The Awali is regarded as a more defensible line against guerrilla attacks. The continuing Israeli casualties — from remote-controlled bombs and small-scale ambushes — have helped fuel the broadest antiwar protest ever experienced in Israel, and have contributed to a war-weariness that seems to be having affected Prime Minister Menachem Begin himself. His aides describe him as deeply pained by the mounting toll, which last week stood at 517 dead and nearly 3,000 wounded.

A Comfortable Security

In addition, officers say that although the partial pullback will require building new roads and bases, it will ultimately cut the costs of maintaining the army in Lebanon by shortening supply lines, decreasing the number of troops deployed and probably curtailing the extra-alive reserve time now being put in by most able-bodied Israeli males, from the current 90 days a year to 60. This should have some effect on the country's morale, as well as its budget. Economic problems had the Cabinet in lengthy meetings last week as ministers tried to find ways of trimming about \$1 billion out of this year's Government expenditures, \$154 million of which would be from defense spending.

Militarily, the new security zone is likely to become quite comfortable for Israel. While relinquishing the outskirts of Beirut and the Beirut-Damascus highway, the Israeli Army will maintain control over Mount Barukh, on which a sophisticated electronic surveillance station monitors communications and air traffic throughout Syria and much of the Middle East. Israeli forces will not move from their front lines facing Syrian troops in the Bekaa. And perhaps most significantly, as long as Syria refuses to budge, Israel will have a free hand in southern Lebanon to build up the friendly militia of Maj. Saad Haddad, to cultivate informants, to gather intelligence and to police the civilian population as closely as it chooses.

Whether this amounts to the partition of Lebanon may be a matter of semantics. Israeli officials insist that they want to withdraw entirely but only if Syria also leaves. However, they are bound to get used to exerting intimate control over that crucial buffer zone and as time passes, such a sense of security could become difficult to give up unilaterally.

Warsaw's Communist Leaders Got a Pat on the Back From East Germany Last Week

Polish Party Loses Members but Not Control

By JOHN KIFNER

WARSAW — One day this summer, paunchy, graying men in stiff black suits, the leaders of the Communist Party in the city of Poznan, laid wreaths at the huge monument in the central square. It was an awkward moment, for the monument honors some 70 workers shot down on orders of their predecessors in the rioting for "bread and freedom" in 1956. Like virtually every symbol of Polish patriotism and nationalism, the monument, quickly thrown up during the brief period of the trade union Solidarity, belongs to the political opposition. The striking work consists of two crosses, roped together by a single bar, suggesting bound hands, and the stump of the third cross. The dates of Polish uprisings are emblazoned on one of the crosses: 1956, 1968, 1970, 1976, 1980.

The dates also represent the continuous cycle of crisis and failure of the Communist Party during the nearly 40 years it has governed Poland. Internal rivalry for power and privilege and, to a lesser extent, ideology is played out against a background of economic failure until a spark — typically an increase in food prices — sets off a revolt. The revolt is crushed and whoever is in charge is purged and blamed for all the trouble. The new rulers promise a bright new day, and the cycle starts again. The only real change is in the width of the gulf between Poles and their Government.

It was symptomatic that a vote of confidence Gen. Wojciech Jaruzelski's regime got last week came not from a Pole but from East German Leader Erich Ho-

necker, the first Communist-bloc head of state to visit Poland since the birth of Solidarity, and one of the most critical of the free trade union. From Poles, there were mainly sounds of opposition — a threat of demonstrations on the Aug. 31 anniversary of the Gdansk agreements of 1980 that led to Solidarity, a threat of a work slowdown if talks did not begin with Lech Walesa, Solidarity's leader. The regime is under similar pressure from the West. The overburdened economy got some welcome relief last week from Western bankers who agreed to reschedule \$2.6 billion of debt falling due this year. But half of Poland's foreign debt of \$26 billion is owed to Western governments or guaranteed by them and the United States, for one, is holding up any relief measures pending further moves to liberalization.

The Leading Role

It is doubtful this will happen to the West's satisfaction. The dissolution last week of the Union of Writers, an important center of intellectual dissent, indicated the contrary. The most important political rule here is simple and absolute: The party must play what is officially called "the leading role in the society." The phrase was written into the Constitution when the agreements were signed with the striking Gdansk shipyard workers. In practice, the "leading role in society" means that nobody else has any say. The rule has been zealously enforced because opening up the channels of power might mean losing them. Ultimately, the rule is enforced from Moscow for it is the key to control over its satellites. Officials remember how remarkably fast the system



Richard Rony

fell apart during the 16-month existence of Solidarity. The official press was full of exposés of corruption. The Solidarity weekly could run an interview with a former censor who said he took the job because he wanted to read the real news "as if I were in Paris." Everyone seemed to be on strike and the workers, despite efforts by their intellectual advisers to hold them back, grew increas-

ingly bold in their demands, finally even questioning the sanctity of the Warsaw Pact.

The party was so weakened that it finally had to report to the ideological paradox of a self-induced military coup to save itself and stave off the threat of a Soviet invasion. But the upheaval of the Solidarity period, and the intellectual ferment of the late 1970's, have stripped the party of much of its vitality and credibility. The party, formally known as the Polish United Workers Party, has lost fully a quarter of its members since Solidarity was founded and official figures show that membership is still falling by about 5,000 a month.

But the party clings to the notion that it is in charge because it must be. The result is a rather artificial atmosphere. The rules are accepted even by rebels. Ever-mindful of the Soviet Union, dissident intellectuals formulated the concept of the "self-limiting revolution," and Mr. Walesa kept insisting that Solidarity was not trying to overthrow the Government. The system has not been without critics, however, and although many have been silenced, it continues to experience internal conflicts. With the threat of Solidarity apparently blocked, party apparatchiks are digging in to protect their privileges, partially by thwarting plans for economic reform, while Moscow-leaning hard-liners take aim at their rivals, like Deputy Premier Mieczyslaw Rakowski.

While the party tries to rouse the country without much support outside its own rolls, the loyalty of much of the population lies with the Roman Catholic Church. As some 300,000 Poles gathered in Czestochowa last week for the annual pilgrimage to the Black Madonna icon, the ramparts of the fortress monastery at Jasna Gora were draped with Solidarity banners.

"Forty years," said a Pole with some pride as he watched the procession. "Forty years, and the Communists have not touched the soul of this country."

BROADWAY 80

WARNING — The Ministry of Health has determined that smoking is harmful to health.

I'm glad I changed.

A SYMPOSIUM: Vietnam-Era Aides Explore Parallels and Differences

Some Applied History for Central America

PRESIDENT REAGAN apparently didn't like everything he heard last weekend in Mexico. Without specifying the American warships and troops sent to Central America, his host, President Miguel de la Madrid Hurtado, warned against "shows of force which threaten to touch off a conflagration." Replied Secretary of State George P. Shultz, "The prob-

lem in Central America is not the show of force, it is the use of force." President Reagan insisted "hype and hoopla" were distorting news coverage of his Central American policies. Addressing Veterans of Foreign Wars, he said, "You wouldn't know from some of the coverage that the greatest portion of our aid is humanitarian and economic."

Some listeners were reminded of

complaints about coverage during the Vietnam War—a period that has come in for close study by critics and defenders of present policies. The Week in Review asked six officials who advised President John F. Kennedy during the formative stages of that American involvement whether there are lessons from Vietnam that apply today in Central America. Their comments follow.

William P. Bundy

If there is one overriding lesson of Vietnam, it is that an Administration must level with Congress and the American people, accepting the burdens of a great debate in which objectives and strategy are clarified, with their costs and implications, and submitted for a clear vote of approval or rejection.

The Administration is apparently equating the role of Nicaragua (with Cuba and the Soviet Union behind it) to North Vietnam (backed by China). It is a dubious parallel still lacking in strong evidence, which has put the Administration in the position of backing a massive "covert" operation while denying any intent to change the Sandinista regime. Threats and military maneuvers the Administration does not mean—or have public support—to back by outright force can turn into called bluffs. Or they can create incidents that could tear apart the American public, not to mention the key regional countries and our allies elsewhere.

A deeper issue is the wisdom of the Administration's confused thrust in a regional setting totally different from Vietnam. There, we had the support of virtually all non-Communist nations in East Asia, who saw the conflict as basically aggression from the North, a view subsequent events have confirmed. Also, the legacy of French colonialism was a major, and underestimated, obstacle. But in Central America we have to deal with the legacy of our own past colonialism—as the area sees it. Key regional countries and the younger generation throughout Latin America see the struggle as primarily due, not just to desperate social and economic conditions, but to Washington's past armed interventions and support for right-wing decadent dictatorships.

In Central America, we confront neither a strong North Vietnamese army nor a threat of big power intervention (from China then). We can have our way if we choose, but renewed colonialism—again as the area sees it—simply will not work in the long run. The price of our past record may indeed include accepting an unpalatable extreme leftist regime for a period of time; it need not include hostile military bases—these we can readily deal with if they ever emerge. And our clear national interest in the Panama Canal depends ultimately on working with Panama and its neighbors and not being perceived as alien gringos. While the area understands our present support for the El Salvador Government, attempts to scotch revolutions by United States action could end by turning a new generation of Latin American leaders wholly against the United States. Nothing truly at stake in Central America warrants that risk or the risk that Central America may distract us from the far graver economic and political problems that could be spawned by the current Latin American debt crisis.

The advice of regional nations is plainly to negotiate in a visibly serious fashion. In this respect as well, El Salvador is clearly not Vietnam. As one who tried for years to find an acceptable formula for a compromise political settlement in Vietnam, I am convinced no such formula was possible in the face of a monolithic North Vietnam totally in control (as events have now proved) of the Viet Cong in the South and dedicated to ultimate total political control. By no stretch of the imagination is the present opposition in Salvador, even with whatever external ties and influences it may have, a like case. It is not monolithic, it clearly contains elements that might fit into a democratic picture and it is infinitely weaker. This is neither Vietnam nor postwar Central Europe, and a compromise political settlement is conceivable.

U. Alexis Johnson

It is dangerous and misleading to look for comparisons between the experience of the Kennedy and subsequent Administrations in Vietnam with the situation in El Salvador. When, in Vietnam, we helped the Government frustrate the North's guerrillas, the North turned to its powerful and jungle-warfare-experienced regular forces to subject the South (and Cambodia and Laos). No comparable outside force exists in El Salvador and none of its neighbors is in a position to carry out such a role. It might be more instructive to recall our help to Greece in defeating guerrillas supported by outsiders in 1947-48, or the British success in Malaya, 1948 to 1960. These successes were achieved by political, economic and internal security measures adapted to the local situation. Obviously this is required in El Salvador.

One people cannot prescribe political or economic formulae for another people and culture—least of all by public lectures or legislative fiat. Reforms can only be accomplished by sympathetic private dialogue in which each learns from the other. The essence of effective government is the consent of the governed. Installing institutions modeled on another culture and background does not assure that consent.

Change for the sake of change is usually unwise. This was vividly demonstrated to President Kennedy, when, with American acquiescence if not encouragement, and stimulated by sensational media reporting from Saigon, Ngo Dinh Diem was deposed—with virtually no concept of who and what would replace him.

American combat troops were not deployed in Vietnam until the spring of 1965, when regular North Vietnamese forces had already entered the country. I have always speculated on whether the results would have been different if, in the early stages in 1960—instead of deploying combat troops—we had devoted to the development and support of South Vietnamese forces at least some portion of the scale of effort that eventually went to our own forces and "Vietnamization." It always seems simpler and easier to use Americans than to enter into the "dirty-gritty" of developing local capabilities.

With the Soviet Union spending at least 10 times as much per capita in Cuba as we are in El Salvador, I wonder if our friends and adversaries feel our intentions are serious. I hope we can demonstrate that they are.

Theodore C. Sorensen

The Salvadoran revolution, in its geographical, historical, political and military relationships with Washington and Moscow, bears scant resemblance to the conflict that smoldered in Indochina during the Kennedy Presidency. There are, nevertheless, lessons the Reagan Administration should consider before its risky course in Central America becomes irreversible.



William P. Bundy
Deputy Assistant Secretary of Defense, 1961-63; Asst. Secretary of State, 1964-69; Editor of Foreign Affairs magazine.



Gen. Maxwell D. Taylor
Pres. military representative 1961-62; Chairman Joint Chiefs of Staff, 1962-64.



Lieut. Gen. Victor H. Krulak
U.S. Marine Corps, special asst. Joint Chiefs of Staff 1962-64; columnist Copley News Service.



Roger Hilsman
State Dept. director of intelligence, 1961-63; professor Columbia University.



Theodore C. Sorensen
Special counsel to Pres. Kennedy; partner in law firm Paul, Weiss, Rifkind, Wharton & Garrison.



U. Alexis Johnson
Deputy Under Secretary of State, 1961-64; Deputy Amb. to Vietnam, 1964-65.

First, a Government in El Salvador that rejects, like the Diem regime in South Vietnam, the military, land, legal, political and other reforms required to win the confidence of its own countryside cannot be indefinitely maintained against guerrillas whose fires are fueled by governmental misconduct.

As J.F.K. learned in Vietnam, each incremental increase in American military advisers and assistance, every escalation in rhetoric about "dominoes" or "national interest," makes it harder for us to reverse course and thus easier for the "client government" to resist our recommendations for reform. It also stimulates the flow of military assistance to the guerrillas and, not incidentally, increases their supply of captured or abandoned American weapons. It was in this context that Kennedy, whatever his other errors, never accepted strong and repeated recommendations to deploy U.S. combat units to fight in South Vietnam and bomb North Vietnam.

Second, elections in which only one side dares to participate will legitimize neither the Salvadoran Government nor American support for it. South Vietnam had several such elections. They did not persuade our principal allies (or Kennedy himself), bring a halt to the Saigon Government's mistreatment of Buddhists and other human rights violations, or diminish Diem's vulnerability to local fears he was becoming more American puppet than national leader.

Third, if the U.S. show of force in El Salvador obtains not a Government victory but a cease-fire and a negotiated political solution, however imperfect, that is sufficient. That was Kennedy's course of action in Laos. He was bitterly criticized for pursuing a "no-win" policy and for sending Americans to participate in negotiations with the Communist Pathet Lao, Hanoi and Peking.

His permitting the Pathet Lao to participate in a neutral and independent coalition Government (that later unsurprisingly failed to survive Hanoi's victory in neighboring Vietnam) sounds much like allowing the Salvadoran rebels to "shoot their way" into a share of power. But, as J.F.K. said, "Experience has taught us that no one nation... can solve all the problems of the world or manage its revolutionary tides... Extending our commitments does not always increase our security."

Lyndon Johnson and Richard Nixon tried a different course in Indochina. The result is symbolized by the Soviet naval bases built by the United States at Cam Ranh Bay and Danang. If we are to avoid both war in Central America and its domination by pro-Soviet elements, let us hope that Ronald Reagan reads history.

Lieut. Gen. Victor H. Krulak

Analogies between Vietnam and our Central American situation spring up like asparagus. We are bound to give them sober attention lest we make the same mistakes twice. First, subversive insurgency is pretty much the same wherever you find it. Bred in an atmosphere of hunger, sickness, poverty and inadequate government concern, it is nourished by coordinated agitation. The agitators' puppet strings go back to Moscow. In this case, Cuba and particularly Nicaragua are the prime intermediaries. Second, the privileged sanctuary confers great advantages on the antagonist who has it. In the Vietnam war, Laos and North Vietnam provided sanctuary. In our fear of irritating the Soviet Union, we stood by and watched a flood of warlike things pass through North Vietnam's port, Haiphong. Once lost in the hinterland, the munitions were difficult to find and destroy. As a result, in the 1968 Tet offensive, the North Vietnamese were able to emplace heavy artillery within range of Saigon and every provincial capital. More than anything else, our unwillingness to face up to the privileged sanctuary cost the free world the Vietnam War.

The analogy with Central America is perfect. The Nicaraguan port of Corinto is Haiphong, whence the munitions find their way to El Salvador through Honduras. In North Vietnam, we belatedly took away the privileged sanctuary by mining Haiphong. In Nicaragua, we can help to take it away by openly supporting the freedom fighters who want to see the Sandinistas replaced by a freely chosen democratic government.

Another analogy is gradualism. In Vietnam, we lost 58,000 lives and untold treasure because we tried to inch our way toward a solution instead of providing South Vietnam with all needed support at the outset. For example, we authorized delivery of aircraft to the South Vietnamese—but not jet aircraft.

We must not repeat the error of gradualism. The Administration asked Congress for \$110 million for El Salvador and Congress cut it in half (\$55 million)—far less than the value of the 11 shiploads of Soviet material delivered to Nicaragua in the first seven months of this year.

Finally, it is an error ever to do the actual fighting for your small friend under attack by insurgent forces. Train him, supply him, arm him, educate him, sustain him, but let him do his own fighting. We erred in Vietnam—we took over a large part of the battle. In Central America, happily, we have so far avoided that pitfall.

Gen. Maxwell Taylor

Laying aside Vietnam, which can be made to prove or disprove just about anything, there is a major lesson to be learned from the Kennedy Administration experience, with possible application to our policy in Central America. It derives from the blended experience in the Bay of Pigs fiasco and the highly successful Cuba missile crisis. Both episodes were carried out by the same President, supported by essentially the same advisers. The success and the failure resulted largely because of our having adhered to or ignored one precept:

Before committing the United States to an important and risky foreign policy action, be sure you know your goal and are determined to pay the price of achieving it.

In the Bay of Pigs, the Kennedy team never had a clear understanding of the purpose of the Cuban brigade that was landed on Cuban soil. Was it to drive inland and try to incite a popular uprising? To join insurgents in the nearby mountains? And what would the brigade do if it were boxed in its beachhead by Castro's troops? Such questions were never raised before the Government was committed to this risky undertaking. Furthermore, there was less determination to succeed than to avoid involving U.S. forces in the landing.

The Cuban missile crisis was quite different. From the moment President Kennedy and his advisers saw the aerial photography showing Soviet ballistic missiles being emplaced, the objective was clear—to get the missiles out of Cuba by whatever means necessary. There was no doubt about the determination to succeed.

What can the Reagan Administration learn from this? The President could certainly profit by restating his policy objectives in simpler terms than has been the case thus far. As for determination to pay the price to achieve these objectives, the President has shown no lack of it. Congress, however, has been niggardly in appropriating funds and quick to impose operational restrictions on our personnel in Central America, thus recalling the spirit of the Bay of Pigs.

Roger Hilsman

Both the Kennedy and Johnson Administrations were deeply divided about the nature of the struggle in Vietnam. One group saw it as part of global Communist expansionism. Although conceding that purely Vietnamese issues were also at work, they insisted the Viet Cong was ultimately inspired by Moscow and Peking, which would profit by a Communist victory strategically, economically and politically. It followed that such an aggression could be met only by military force.

The rival view agreed the insurgency was led by bona fide Communists, with full support from Moscow and Peking. But, they argued, the insurgency was more accurately described as an anticolonialist and essentially nationalist movement, feeding on social discontent in the South, such as the need for land reform, and whose leaders just happened to be Communist Party members. A Communist Vietnam, they conceded, would be troublesome politically to American interests in Southeast Asia, but the economic implications were minuscule. And not only was Vietnam of little intrinsic importance strategically but, they argued, Hanoi's demonstrated determination to remain independent of Moscow and Peking was ample assurance neither could turn Vietnam into a military base.

Since the insurgency was a nationalist, anticolonialist movement, they concluded, sending foreign troops would be self-defeating. Foreign troops would recruit more peasants for the Viet Cong than they could possibly kill. As President Kennedy said, "In the final analysis, it is their war."

The Vietnam experience might at last lead us to ask the right questions about places like Central America: What is the essential nature of the insurgencies? Are they essentially the creatures of "world Communism" or are they nationalistic, anti-oligarch, peasant revolts, feeding on social discontent, whose leaders just happen to be Communist Party members? As for strategic implications, would a Communist victory in a Central American country give Moscow a vital military base or has the new missile technology rendered such bases obsolete? Even if it has not, did not the 1962 Cuban missile crisis discourage Moscow from trying that kind of move again? And finally, does the long history of resentment of "economic imperialism" by the "Colossus of the North" and its alliance with Latin American oligarchs mean that, as in Vietnam, American troops would end up recruiting more Communists than they could kill?



Members of El Salvador's Constituent Assembly.

El Salvador's Vehicle for Democracy Is In Low Gear

By MICHAEL WRIGHT

SAN SALVADOR—One morning last week, as the Constituent Assembly began its article-by-article review of a proposed Constitution, 3,000 peasants from all over El Salvador milled around outside on the blazing hot blacktop parking lot. On cue from their organizers, they shouted against provisions they saw as threatening the fledgling land-redistribution program. Officials refused to let spokesmen for a campesino's union present their views orally to the Assembly. Yet later that day, the Assembly adopted language spelling out in ringing terms the rights of Salvadorans to freedom of expression.

Afterward, an American-educated legislator who is at ease with the political idioms of the north, lamented his colleagues' disregard for appearances. "The whole world is watching and we couldn't take a moment for the campesinos," he said. "But what can you expect? Nobody ever said we were the best and brightest."

Before their election in March 1982, many Assembly candidates were held in at least momentary high regard. Many had risked their lives by running for office while leftist guerrillas and right-wing death squads were operating freely. One legislator was murdered before he could be sworn in; another was killed early this year.

But the initial sheen seems to have worn away. As the Assembly began its long-delayed constitutional review, many Salvadorans shrugged off the debate as mere rhetoric. Barely a half-dozen spectators attended the first day. It was broadcast nationally but few people seemed to be listening. Flowery guarantees of personal liberty seemed beside the point, several Salvadorans suggested, given the state of siege in effect since 1980.

Some saw the debate as just a preliminary to next year's presidential election. Only the moderate Christian Democrats, with 24 Assembly seats, have selected their candidate—former President José Napoleón Duarte. Assembly President Roberto d'Aubuisson is likely to be nominated by the conservative National Republican Alliance, which has 19 Assembly seats. Francisco José Guerrero, the provisional President's chief of staff, has not announced his candidacy but he has been attending National Conciliation Party rallies every weekend.

Americans in the Background

Until presidential campaigning picks up, the Assembly remains the most visible manifestation of democracy, Salvadoran style. Many deputies are lawyers, businessmen or retired military officers, prompting complaints that peasants, labor unions and the few surviving Indians are under-represented. "As in most of Latin America," an economist conceded, "constitutions have never meant much in this country. But," he added, "the Assembly perhaps helps maintain the facade of democracy, and maybe that is valuable."

After the 1982 elections, it appeared a conservative coalition would have firm control—and that the United States would have little influence because it had backed the losers, the Christian Democrats. But after political and ideological reshuffling, rightists and moderates are evenly split, 30-to-30. The American Embassy, while trying to stay in the background, has been urging the Assembly to complete its work "as quickly as possible," a party leader said.

Aside from working on the Constitution, the Assembly approves, usually with little discussion, housekeeping measures submitted by the provisional President, Alvaro Magaña. Not unlike politicians elsewhere, it delayed for several months final action on a 3 percent sales tax badly needed by the Treasury.

The latest target date for completing the Constitution is Sept. 15, Salvadoran Independence Day, but the outlook is not promising. "It's far better that we take our time," says Ricardo González Camacho, one of two Democratic Action Party Deputies. "In the old days, our Constitutions were written overnight by a handful of generals and landowners in a dark room." The protracted debate has its rewards—deputies receive the equivalent of \$1,250 a month. "College professors have to get by on much less than that," a member remarked. "Can you blame us for taking our time?"

The draft blends two earlier Salvadoran Constitutions, with a dollop or two from documents of Spain, Peru and Germany's Weimar Republic. Many of its 246 articles are likely to touch off protracted discussion, notably sections on land-redistribution and a provision that would do away with the death penalty for most crimes and would provide life appointments for judges.

Also, a date must be set for inaugurating a new President. After that, a timetable for elections is to be incorporated in election laws to be enacted after the Constitution is approved. United States officials had pushed for elections this year in order, among other reasons, to offer proof to Congress of El Salvador's commitment to democratic ways. Now they acknowledge that balloting probably won't take place before spring.

American diplomats say Congress may have held up Salvador's voting plans by delaying \$2.4 million in election assistance until this month. Hurrying to catch up, American officials last week agreed to underwrite a computer to keep tabs on voter-registration records.

American Business Finds Ireland A Land of Green Pastures

Incentives have helped make it a fast-growing industrial center.

By DAVID TULLER

ALTHOUGH it's a long way to County Tipperary from Rahway, N.J., the corporate headquarters of Merck & Company — a decade ago the pharmaceutical giant bought a 188-acre estate in this lush farming region. After three years of construction, it began bulk drug production at a plant sprawled over a quarter of the property. Merck's modern manufacturing facility, complete with pipes, tanks and complex machinery, is a striking contrast to the verdant, undulating fields that surround it. But it's a fitting symbol of Ireland's ongoing transformation from a country with a depressed agricultural economy — by far the poorest in the Common Market — to one of the fastest-growing industrial centers in Europe.

Indeed, patchwork quilts of cultivated farmlands still dominate the countryside. Cows, sheep and goats wander freely in pastures, across roads and down village streets. But like the Merck operation, American plants are sprouting in this bucolic landscape with increasing frequency.

Ireland is currently capturing more than half of all new American business ventures within the 10 countries of the European Economic Community. An average of one American plant each week is opening, and American capital spending here is growing by almost 40 percent a year. In 1982 alone, American businesses committed themselves to invest \$450 million in 172 factories, compared with \$158 million in 1973, and to date, more than 350 American corporations have spent an estimated \$4 billion.

American business is beating a path to Ireland mainly because the Government is offering deals almost too good to pass up. Incoming companies receive cash grants of up to 60 percent of the cost of fixed assets — new plant and equipment — and 100 percent of employee training expenditures; ready-to-occupy factory space at low rents; loan guarantees and interest subsidies; and, most important, a maximum corporate tax rate of 10 percent, which liberal depreciation allowances can often reduce to nothing, and duty-free access to the 270 million consumers in the Common Market.

Such incentives, added to the advantage of one of the lowest wage scales in the Common Market, have yielded more than just the proverbial pot of gold at the end of the rainbow. American subsidiaries currently earn an average 31.7 percent annual rate of return on their investment, more than twice the 14.8 percent average return for American operations elsewhere in the E.E.C. The next highest return is 18.2 percent, in Italy. By comparison, the return on American investment in Japan is 19 percent.

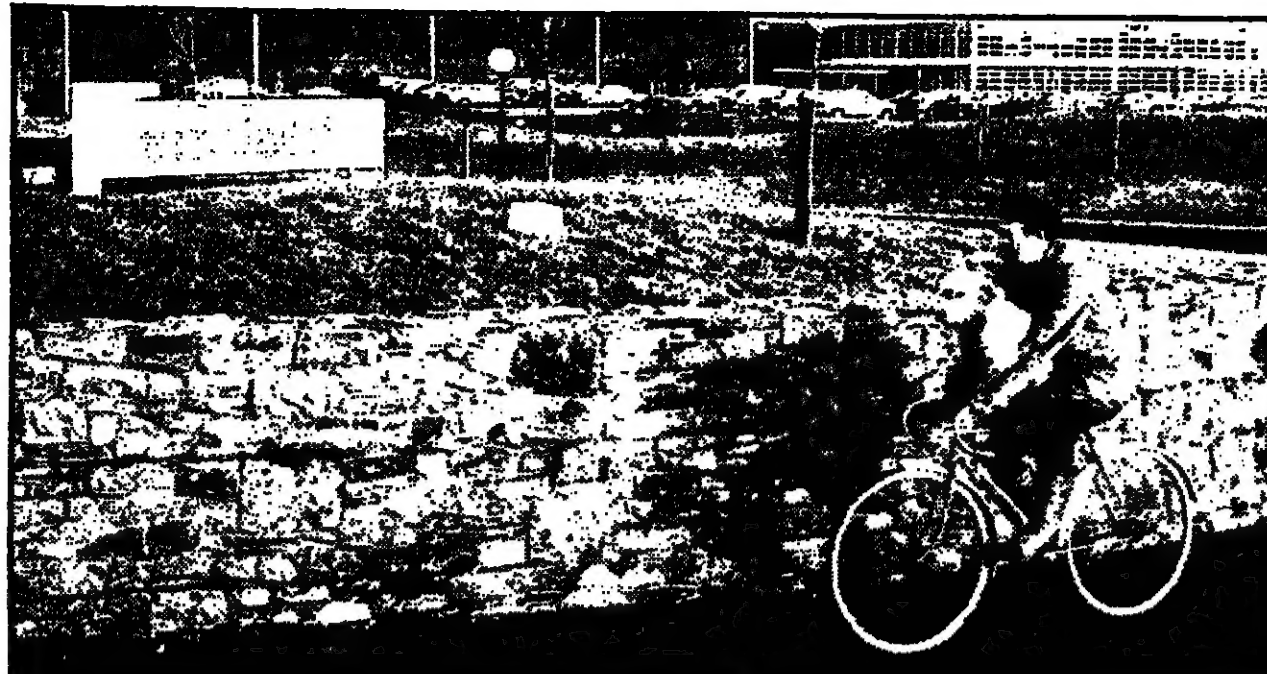
The mutual back-scratching arrangement appears to be paying off for both sides. Ireland's primary concern is bringing down its 14 percent unemployment rate — among the highest in the Common Market. Between 1973 and 1982, the number of jobs provided by American subsidiaries in Ireland more than doubled, to 15,1 percent of the industrial workforce — or one in six — from 6.9 percent. And while the cost of attracting foreign investment is high, Government officials contend that they generally earn back what they give away within two years through higher personal income taxes generated by the new jobs.

"The Government looks particularly closely at how many jobs will be created," said Frank Washart, managing director of Modular Computer Systems (Ireland) Ltd., a maker of minicomputers, "because that's mainly what they're playing the game for."

Despite the flood of investment, Ireland is losing ground on employment. The current unemployment rate is a record for the country, and it is up from about 10 percent in recent years. High unemployment has been a factor in keeping Ireland's average wage at \$5.76 an hour, compared with West Germany's \$11.78 an hour and Britain's \$7.26. Only Greece and Spain have lower average wages than Ireland.

Not everyone agrees that Ireland is the ideal investment climate. "Companies should not necessarily consider these incentive programs a permanent fixture," cautioned L. Clinton Hoch, executive vice president of the Fancus Company, a consulting firm in New York that assists corporations on overseas investment. "Creating jobs has not solved the problem of generating revenues for the Irish Government, and we predict that within four or five years the country's fiscal difficulties may very well force it to re-evaluate the incentives it offers."

That re-evaluation, he added, may already be under way. "The cost benefits of some of the incentives are quite seriously being challenged by



Amdahl Ireland Ltd.'s manufacturing facilities near Dublin.

elements in the Irish Government," he said.

In particular, last year the National Economic and Social Council, a Government advisory body, released a study critical of certain elements of the country's industrial policy. The report concluded that the cash grants offered to foreign companies were often unnecessarily high, and recommended a reallocation of resources toward increased aid for indigenous businesses.

THE Government has not yet responded to these recommendations, although it plans to release a white paper on industrial policy sometime this fall. Officials indicate that any immediate change in the overall thrust in industrial policy is highly unlikely.

Most of the American investment has come since Ireland joined the Common Market in 1973. Setting up

has not taken every investment proposal that has come along. In 1978, the Government rejected a risky and impractical John Z. DeLoe's bid to build his luxury sports car company on the Emerald Isle. Mr. DeLoe went to Northern Ireland instead.

"We received some flack for turning him down," said a Government official, "so we breathed a sigh of relief and patted ourselves on the back when his venture failed last year."

Ironically, the DeLoe collapse highlighted a sensitive public relations problem that Ireland continually confronts — convincing wary investors that the political and religious turmoil in Northern Ireland does not harm the business environment to the south.

But those companies that have chosen to invest in Ireland seem to be satisfied. Although American corporations are free to repatriate all their

four plants, while Emerson Electric, Abbott Laboratories, Measurix and Beatrice Foods have three apiece and Becton Dickinson, Borden and A.C. Nielson two. Other companies include such computer giants as Digital Equipment, which built its first plant in Ireland in 1972, and more recent comers — Amdahl, Wang Laboratories and Apple Computer.

American industry's experience in Ireland has not been all positive — a number of prominent efforts have fallen down. Black & Decker announced earlier this year that it was planning to shut down its portable workbench factory in Kildare. And in the last few years, plants owned by Polaroid, Fieldcrest Mills and Data Terminal Systems — which manufactured SX-70 film, luxury bath towels and electronic cash register systems, respectively, — have all ceased production, the latter, ironically, on St. Patrick's Day last year. Spokesmen for several of the companies said that while the recession may have contributed to their problems, the primary cause of the failures was overambitious sales projections, stemming from misreadings of the European market.

Fieldcrest Mills's senior vice president of finance, William Fraser, tells a different tale. "We left last year because the inflation rate was just unacceptable and made the cost of business too high for profitability," he said. Since Fieldcrest's departure, however, inflation, which peaked in 1982 at 17 percent, has been cut in half.

In addition, Ireland has paid a price for success. The flood of business has badly strained the country's infrastructure. Businessmen seem most upset with the country's rather primitive telecommunications system. Unirode found it so disruptive that in 1980 the company decided to bypass the system altogether and rented a satellite transponder to create its own link to the outside business world. "There were times when we would try to call our plant from our Massachusetts base for days and all we would get would be a busy signal or no ring at all," said Walter Gates, a vice president. "It was pathetic."

The Government is seeking to remedy the situation with a \$1.5 billion telecommunications modernization program. But Unirode does not have a lot to complain about. It received cash grants totaling \$3.6 million of its \$9 million capital outlay and was allotted another \$725,000 for training its workers. Thus far it has used up about one-third of that amount on training programs for 20 supervisors at its United States plants and 240 production workers on-site in Ireland.

Central to Ireland's recruitment effort is the Industrial Development Authority, an autonomous government agency that negotiates with potential corporate investors. The size of individual incentive packages depends, in large part, on what the agency's executive director, Brendan Cassidy, calls "value added attributes" — such as whether a company would establish a strong job foundation in the country through the creation of a marketing, administrative or research and development arms as well as a manufacturing plant, and whether it creates jobs for a broad array of skills and population groups, particularly in underdeveloped regions of the country.

While labor costs average 20 percent less than in Britain and half those in West Germany, Ireland tries to discourage companies seeking a low-wage haven for unskilled assembly plant operations. Indeed, in the last decade the Government has devoted extensive resources to high-technology education.

"When General Electric first came here in 1963," said John Doyle, personnel director at G.E.'s subsidiary, the EI Company, "the company was looking to manufacture products abroad in a low-labor-cost country, which Ireland was at the time. Today, of course, we're much more interested in the availability of engineers, computer scientists — a technologically skilled work force."

David Tuller is a writer based in New York.

The Economy

WEEK IN BUSINESS

The second quarter was a barn-burner, and the economic recovery shows little sign of slowing. Industrial production, an accurate barometer of the economy's direction, surged 1.8 percent in July, after a 1.1 percent jump in June, and second-quarter real G.N.P. was revised upward one-half a percentage point to a 9.2 percent annual rate. In fact, the April-to-June period was the strongest quarter in 18 years. Though economists predict that the economy may cool off by year-end, some believe the third quarter could show a healthy annual growth rate of 8 percent — or more.

The auto industry is leading the charge. Car production was not only a major contributor to the industrial production figures, it also helped push the operating rate in the nation's factories, mines and utilities to a 20-month high in July. Moreover, the industry's strength continued into August, as sales of new cars built in the United States rose 40.8 percent during the first 10 days of August over the same period last year.

But higher interest rates in the form of 14 percent mortgages began to show their effect on the housing industry in July. New housing starts fell for the second month in a row — down six-tenths of one percent from June's level to an annual building rate of 1.74 million units. Michael Sumichrast of the National Association of Home Builders thinks housing starts could fall to as low as 1.3 million units by the end of the year.

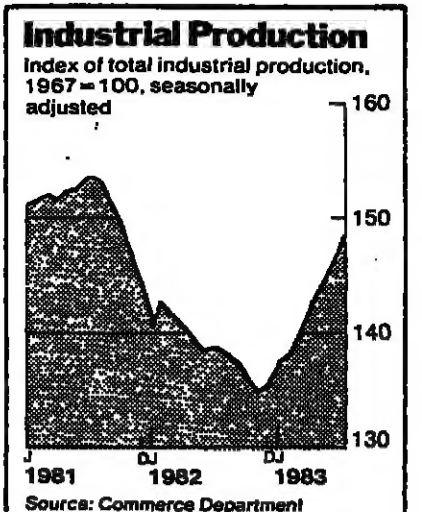
Gadfly Repellant. The Securities and Exchange Commission adopted a rule that will make it harder for social activists and small shareholders to force shareholder votes at annual meetings on such controversial topics as investment in South Africa.

The commission's new rules will require shareholders to own \$1,000 in a company's stock before their proposals can be brought up for vote. Moreover, shareholders must have held their stock for at least a year and if a proposal is voted down one year, it must win at least 6 percent of the vote to be eligible for the next year's ballot.

Gulf and Western's management continued to dismantle the house that Charles Bluhdorn built. The conglomerate's directors approved a huge divestiture plan that would create a \$450 million write-off and a loss of about \$215 million in the fiscal year ended July 31. The size of the write-off was twice what Wall Street analysts had anticipated and will amount to about 20 percent of G.W.'s sales and assets. The streamlining will eliminate 10,000 employees, will be concentrated in the company's natural resources operations.

The money supply fell by \$500 million, and at least for a while investor fears of higher interest rates seem to be soothed. Wall Street had anticipated a large increase and the drop sparked a bond market rally that left interest rates lower on the week. The stock market, after three wide swings during the week, closed up more than 11 points at 1,194.21.

The mighty dollar lost a bit of its muscle — to the relief of many, especially the French. The dollar is now below 8 francs.



Heavy machinery makers continue to suffer. International Harvester reported a \$131 million second-quarter loss, while Caterpillar Tractor warned the investing community that it would report a loss for the second half of the year. The Caterpillar loss shocked some analysts who had predicted a profit in the second half. The Harvester loss left the company with a negative net worth of \$100 million. Harvester also announced its third management realignment in 16 months, which moved Donald D. Lemox into the chairman's post from president, and Jack D. Rutherford to president. Louis W. Menk, chairman, is retiring.

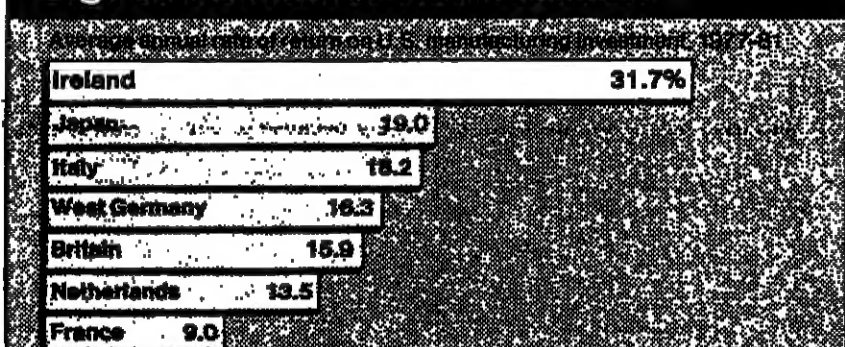
And speaking of departures, Victor A. Schroeder, president and chief operating officer of the Government's Synthetic Fuels Corporation tendered his resignation following criticism of his performance and conduct by fellow directors and Congressional critics. And William B. Stokely 3d and five directors of Stokely-Van Camp, as expected, submitted their resignations in the wake of the company's takeover by Quaker Oats. But don't weep for Mr. Stokely. He leaves with a "golden parachute" that gives him 2 1/2 times his annual salary plus double the average annual bonus he has received for the last three years.

Bankers continued to lead billions to Third World and Communist nations. The United States Export-Import Bank gave approval to loan guarantees of \$1.5 billion for Brazil and \$500 for Mexico. The agency said it was concerned about bankers' continued reluctance to lend to Latin America. The International Monetary Fund approved changes in Argentina's economic policies, opening the way for an extra \$1.8 billion in loans and \$300 million in credit from the I.M.F. Not to be outdone, Poland and its Western bankers agreed on a rescheduling plan for \$2.6 billion of debt due this year.

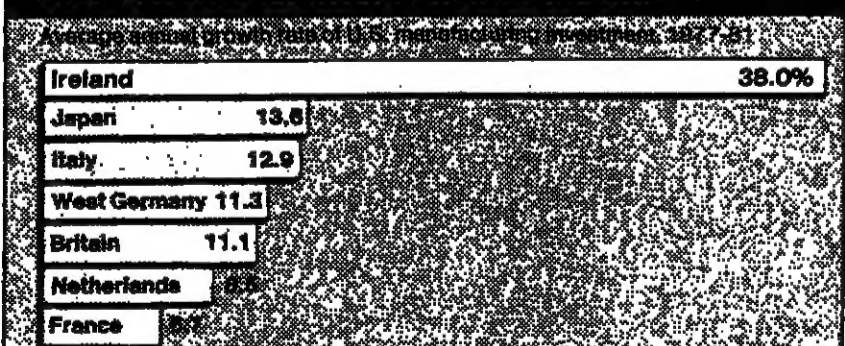
Second Thoughts. American Express called off its \$1 billion bid to buy the Allegheny Corporation. Evidently, Investors Diversified Services, Allegheny's major subsidiary that markets insurance and mutual funds, was not up to snuff. After a month of careful examination, American Express officials concluded it would cost too many millions and too much management time to integrate I.D.S.'s operations into their own. A door was left open for further negotiations, however, perhaps at a lower price.

Nathaniel C. Nash

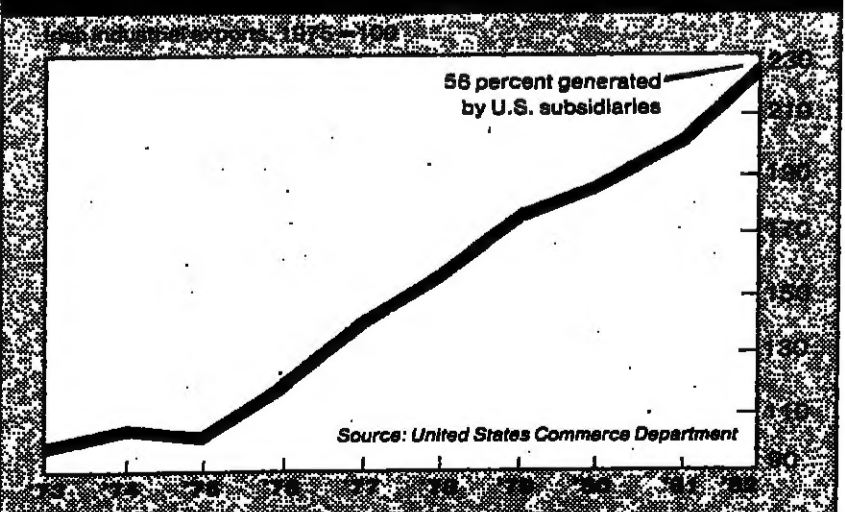
Big Profits From Irish Investments...



Have Attracted More U.S. Dollars...



And Have Fueled the Irish Economy



shop here enables companies to penetrate European markets, while avoiding the stiff tariffs the community imposes on goods not produced within its borders. Other E.E.C. countries offer incentive packages of their own, but Ireland's classification as an underdeveloped industrial region in 1973 gave it more freedom to grant large tax concessions and other economic advantages. That classification also has drawn large-scale investment, particularly from West Germany, Britain and Japan.

The Government's decade-long campaign to draw investment dollars from the major industrialized nations has attracted companies in such high-technology, high-growth industries as electronics, engineering, health care, pharmaceuticals, computer software development and data processing.

While Ireland is hungry for jobs, it

earnings, in recent years they have rechanneled almost 75 percent of their profits into expanding their Irish operations, according to Commerce Department figures.

Westinghouse Electric, for example, began manufacturing its Thermo King truck refrigeration units at its first Irish operation in 1976. Since then it has invested more than \$100 million in six other plants, where it produces everything from office furniture and video display terminals to semiconductors and circuit breakers, mostly for the European market.

"Our first facility did so well that it encouraged us to bring other business here," said H. R. Emerick, managing director of Westinghouse Electronics and Control Company in Shannon.

Westinghouse is not the only company with multiple operations in Ireland. General Electric, Burlington Industries, Pfizer and Revlon each have

The New York Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED AUGUST 19, 1983					
(Consolidated)					
Company	Sales	Last	Net Chng		
Exxon	6,233,100	38 1/2	+ 1 1/2		
Gulf Oil	4,918,600	42 1/2	+ 3 1/2		
Mobil	4,848,700	33 1/2	+ 2 1/2		
Diam S	4,077,600	23 1/2	+ 1 1/2		
Tandy	3,974,100	38 1/2	+ 3 1/2		
Texaco	3,881,100	38 1/2	+ 2 1/2		
IBM	3,816,700	122 1/2	+ 4		
ATT	3,692,900	64 1/2	- 1 1/2		
Gen El	3,681,300	47 1/2	- 1 1/2		
Arch On	3,581,700	19 1/2	+ 1 1/2		
Es Kod	3,070,400	67 1/2	+ 1 1/2		
Phil Pet	2,966,800	38 1/2	+ 2 1/2		
Schlmb	2,829,800	81 1/2	- 1 1/2		
Catp T	2,809,900	37 1/2	- 2 1/2		
G Mot	2,806,500	68 1/2	+ 1 1/2		

Standard & Poor's					
Company	Sales	Last	Net Chng		
400 Indust	188.8	182.4	+2.22		
20 Transp	29.05	28.07	+0.12		
40 Util	65.75	64.37	+0.71		
40 Financial	19.46	18.88	+0.10		
500 Stocks	166.6	161.7	+1.72		

Dow Jones					
Company	Sales	Last	Net Chng		
30 Indust	1,215	1,180	+11.31		
20 Transp	547.4	525.6	+5.69		
15 Util	131.4	127.8	+2.94		
85 Comb	477.8	464.7	+4.71		

The American Stock Exchange					
MOST ACTIVE STOCKS WEEK ENDED AUGUST 19, 1983					
(Consolidated)					
Company	Sales	Last	Net Chng		
ImpCh	1,873,100	8 1/2	...		
WangB	1,461,500	31 1/2	- 1 1/2		
DomeP	857,600	4 1/16	+7/16		
Teleph	785,800	10 1/2	- 1		
HumH	568,800	17 1/2	+ 5 1/2		
TIE	504,000	35 1/2	+ 1 1/2		
Cyprus	470,100	3 1/2	+ 1 1/2		
Reart wt	469,500	9 1/2	- 3 1/2		
GalexO	469,000	2 1/2	+ 1 1/2		
InstSy	455,200	3	- 1 1/2		

MARKET DIARY					
Advances	Declines	Total Issues	New Highs	New Lows	
1,225	743	2,187	116	24	
939	1,009	2,187	54	35	

VOLUME					
Company	Sales	Last	Net Chng		
Total Sales	384,019,360	13,848,205,110			
Same Per. 1982	455,127,820	8,606,462,836			

WEEK'S MARKET AVERAGES					
Company	Sales	Last	Net Chng		
Advances	423	315			
Declines	367	474			
Total Issues	915	917			
New Highs	32	24			
New Lows	18	20			

VOLUME					
Company	Sales	Last	Net Chng		
Total Sales	31,592,775	1,455,317,974			
Same Per. 1982	22,615,725	673,023,095			

The New York Times

Founded in 1851

ADOLPH S. OCHS, Publisher 1896-1935
ARTHUR HAYS SULZBERGER, Publisher 1935-1961
ORVILLE DRYFOOS, Publisher 1961-1983

ARTHUR OCHS SULZBERGER, Publisher
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Break Up New York City?

When New York City faced bankruptcy, its plight conveyed a warning to other cities and moved the national government to give unprecedented help. Now New York City faces another danger that has lessons for other cities: secession.

If Staten Island presses forward with threats to pull out of the city, the country will be on notice that the problems of the cities are not only beyond their economic but also beyond their political means.

Perversely, the secession threat arises from an effort by the Supreme Court to achieve precisely the opposite political effect: to give cities the power to which they became entitled by population migration from the farm. The Court intervened with its one-man, one-vote rule to transfer power from the underpopulated countryside.

Now a Federal judge must soon decide how that rule applies to the Board of Estimate, the city's senior governing body, whose membership is partially based on geography, not population. Can Staten Island's 400,000 people constitutionally be represented by the same single member as, for instance, Brooklyn's two million?

Yes, says John Marchi, Staten Island's able state senator. To deprive the borough of that representation, he contends, is to wish on history. Staten Island joined New York City in 1898 because it was promised the same representation as the other boroughs.

The Senator is surely right to argue that it was immensely difficult to create New York City out of two major cities — New York (Manhattan) and Brooklyn — and an array of smaller jurisdictions. Independent local governments surrounded a single harbor. To grow, they needed costly improvements that only rich Manhattan could afford. It was reluctant to share its wealth.

Now it's not the center that's resistant but the

placid, residential borough of Richmond. Senator Marchi reports an informal poll showing that 96 percent of Staten Islanders would favor secession from New York City if the nature of the Board of Estimate were altered. Secession would inevitably increase their real estate taxes, but what's evidently more important to them is their fear that loss of representation would roughly and crudely change their borough's character.

The heart of the secessionist impulse is the fear that, without representation, the semi-suburban sections of Greater New York will be reshaped to fit the needs of poorer, more populous sections. This resistance is tinged with racial feelings and the fear of urban crime, but it's unfair to characterize it as simply that.

Many communities in the city resist physical and population change, or organize to protect block or neighborhood from the demands of the larger city. All such activity responds to the same impulse. All attest to a fear of change and loss of the faith in progress that led the colonies to unite in a federal union and separate governments to unite in New York City.

For Staten Island to persist in its secession threats because of a potential change in the Board of Estimate might sound like exaggeration, even folly. But it would be equally mistaken to minimize the local passions that underlie the secessionist idea, and they are not limited to Staten Island. If it left, parts of other boroughs would try to follow, hoping so to preserve their character and to hide from change. They could not succeed for long — but would destroy much in the process.

For political leaders, the easiest solution would be if the courts avert such temptations by sustaining the Board of Estimate in its present form. If change is ordered, high skill and statesmanship will be required. The War Between the States could not be avoided. The War Between the Boroughs can be.

'Givebacks' and the Comeback

The recession produced a new buzzword in labor-management relations — "givebacks" by labor to management. Headlines focused on unions accepting wage cuts, but there was more to it than that. This was no temporary phenomenon that would end when business got better. It was a fundamental change, a grim but necessary recognition that labor costs have to be reduced if American businesses are to remain competitive and jobs preserved.

Givebacks aren't new, but rarely have they swept the industrial landscape so widely. They're now an accepted subject for negotiation.

For instance, steel workers gave an 11-year pledge not to strike at a new mill in Ohio and a 6-year pledge at another. Job classifications were redefined in steel and other industries. In trucking negotiations last year, the cost-of-living escalator was retained but the gains were rerouted from pay to pensions and medical benefits.

Labor hasn't made all the concessions. Management is making them, too, particularly in opening up books for union inspection, in pledging not to shut down plants and agreeing not to farm work out to nonunion subcontractors.

The recession prompted givebacks in the construction industry. But recession is only one explanation for the general trend. New competition, foreign and domestic, is at least as important and probably more lasting. Foreign competition hit the auto and steel industries. Domestic deregulation generated the competition that shook up the airlines

and trucking, and it isn't likely to go away. The landmark for this new wave was the 1979 crisis at Chrysler. The principal concessions at Chrysler did not spring from some burst of enlightenment at the bargaining table but from an act of Congress — as a precondition for Federal bail-out financing. Still, once Chrysler broke the mold, other industries saw it could be done. And labor concluded that without concessions, thousands of workers might never get their jobs back.

The total impact can't be measured yet. Wage freezes and cutbacks — the total — are who's getting the benefit? Are prices lower than they would have been, or are profits higher? Have jobs been saved? Some of each, in all likelihood. For all the agonies of the recession, the biggest gain is that givebacks have played an important part in the sharp reduction of inflation and, by extension, the enhanced competitiveness of American products.

With the economy recovering now, and profits picking up, labor will try to get back what it gave away when times were tough. The United Automobile Workers has already tried to get Chrysler's wage scales back to parity with Ford's and General Motors' — and failed so far. In fact, the giveback trend has not been reversed. The teamsters have proposed that workers on long-term layoffs be rehired at substantially lower pay than before.

In step with recovery, the number of strikes has risen this year. But despite recovery, there have been more givebacks this year than last. An old rigidity has given way. Given imagination from both labor and management, the benefits of this change should, eventually, outweigh the hurt.

The Worm and the Apple

Congested Arteries

Street Medicine

You can't sell a knish or a necklace on the streets of New York without a license from the city. How come there's no regulation of people who dress up like doctors and offer to take people's blood pressure?

High blood pressure, or hypertension, is, as the subway posters say, a "silent killer" — no symptom but a blood pressure reading reveals increased risk of heart attack or stroke. The publicity generates a willing clientele, especially among the elderly. All an entrepreneur needs is a sphygmomanometer — the widely available device for measuring blood pressure, a white lab coat and a good location. At \$2 a reading, the business soon turns profitable.

Not necessarily for the clients. According to a recent Times article, one street practitioner didn't even know the elementary difference between the systolic reading — when the heart contracts to pump blood — and the diastolic reading — when the heart dilates to fill with blood.

Relying on such amateurs can be dangerous. Medical opinion varies

about when it's necessary to treat hypertension. Blood pressure may change widely over the course of a day, with emotional and physical stress, with the measuring device and how it's used. Proper diagnosis requires a doctor's interpretation of several readings.

There might be value to a blood pressure check that doesn't require an office visit — but only if the person taking the reading knows when to tell the subject to see a doctor.

A city licensing procedure could make sure they do, and provide the legal basis for keeping phony off the street. Why is there no such procedure? A spokesman for the Department of Consumer Affairs backs the question over to the Department of Health. A Health spokesman, citing a legal opinion that giving a blood pressure reading without interpretation isn't medical practice, bucks it back to Consumer Affairs.

Worms to both agencies for ducking so obvious a responsibility to protect the public.

Terminal Affliction

It's always been chaotic at Grand Central Station's Vanderbilt Avenue

exit, but these days it's worse than ever. Reconstruction of the old Biltmore Hotel brings an invasion of construction trucks and a tangle of walkways on 43d Street. Yet no traffic policemen are permanently posted at the station to keep people and cars from intertemporal collision.

Part of the problem is that Grand Central falls in a bureaucratic fissure. Taxis are the Taxi Commission's responsibility, traffic that of the Police Department, and the underpass entrance to Grand Central is the sovereign turf of Metro North (whose unmarked official cars often take up half the curb space).

A traffic cop with authoritative hands could do much to prevent the taxi competition from turning homicidal. But beyond that, there's a need for behavior modification.

At New York's airports and air terminals, a dispatch system for taxis was instituted by the Port Authority a few years back. The system has hitches, but on the whole it has worked better than expected.

Are railroad passengers too incorrigible to make such a scheme possible at Grand Central? Maybe so, but the idea has never been seriously tested. We earmark an Apple for the officials willing to do so.

Letters

Where Soviet Rights Abuses Get Global Exposure

To the Editor:

François de Rose calls it a "Rights Charade in Madrid" (Op-Ed Aug. 17) because his analysis of the nearly three-year East-West confrontation is based only on the visible aspects of the Conference on Security and Cooperation in Europe.

France's former NATO ambassador obviously uses legalistic, perhaps even military, criteria to conclude that the West played the fool by joining the East in signing new human rights pledges. He ignores the West's psychological and diplomatic gains the past three years.

No one expects the Soviet Union to alter its repressive system quickly, but the Madrid meetings make that system more difficult and more costly to sustain.

For three years, Western radios repeatedly broadcast into the Soviet Union and its satellites the no-holds-barred attacks on the Communist system at every level. Jamming blocked some of these broadcasts, but that only further intrigues East-bloc citizens.

At Madrid, every aspect of Soviet repression was linked to human-

rights abuses: the invasion of Afghanistan, Moscow-directed attacks on the people of Poland by their own military, and highly detailed violations in the U.S.S.R. and in other bloc countries.

The U.S. delegate, Max M. Kampelman, "named names" repeatedly. He used every occasion — a date marking the maltreatment of a human-rights activist, a national or international occasion, or reports from human-rights activists themselves — to describe in moving, eloquent terms the repressive nature of Soviet society today.

These steadily repeated charges, over three years, did not fall on deaf ears. The substantial Soviet and East-bloc bureaucracies, up and down the lines to their capitals, had to respond to what they knew to be the realities described by Ambassador Kampelman. Often, the East's responses were pitiful.

The negotiations produced more than these public-broadcast and in-channel challenges. The conference agreed to hold a new series of meetings, at which the human rights and other violations of the East bloc will

be further elaborated. This Helsinki process systematizes the West's challenge to the East bloc on human-rights grounds.

Human-rights activists in the East urge the West to increase, not reduce, the revelations of Soviet-bloc violations of human rights. Such revelations can be systematically sustained because the pledges they violate are codified and signed by the East bloc.

The Madrid meetings increased the number and quality of those pledges, as Ambassador de Rose himself mentioned. But he misses the main point of these Helsinki reviews: the daily opportunity to parade the violator before world opinion, even if he cannot be taken into a court of law.

No one who attended the Madrid review doubts that the Soviet Union wishes it had never signed the human-rights section of the Helsinki accords. The West is by no means foolish to use the Helsinki process to hold the East bloc — as often as possible — to an ever higher standard of human rights.

LEONARD R. SUSSMAN
Executive Director, Freedom House
New York, Aug. 17, 1983

The Trouble With Police Who Aren't

To the Editor:

The suggestion of the chairman of the Nuclear Regulatory Commission that utility personnel might be "deputized" in the event of a nuclear plant emergency (news story Aug. 3) is a disturbing example of a general trend toward giving law-enforcement powers to agents of private or quasi-private entities.

As the result of a wide variety of such entities having either hired or obtained off-duty police officers or obtained police authority for their own security forces, it is a common occurrence to encounter railroad police, university police and even supermarket police.

This practice leads to a variety of problems, the most important being the probability that members of such police agencies will not act as unbiased law-enforcement officers but rather as agents of their employers' interests. In light of the grave potential consequences of nuclear emergencies, the practice of clothing pri-



Reprinted from

vate employees with police authority, always highly questionable, is clearly inappropriate in such situations.

DAVID B. HARRIS
Fanwood, N.J., Aug. 9, 1983

Broadcast News: A Traditional Priority

To the Editor:

Betty Rollin's brave Op-Ed article ["Anchors Are in Show Business," Aug. 13] establishes that current practice in television is to hire good-looking anchors and leave the writing to those who are capable of it. My addendum is that the practice predates the word "anchor" as used these days, and that even in the times of network radio the practice was established and inviolate.

In the late 40's, as a beginner at NBC, I watched the legendary Lowell Thomas pull up in his Rolls-Royce a half-hour before his evening network radio news, which at that time was aired at 7 o'clock. I once followed him, awestruck, to the studio, where he received a piece of paper from a writer, cleared his golden throat and started reading.

In 1951, Ted Cott, station manager of WNET, held auditions for the job of reading the evening local news. I was director of the auditions, and also, at the time, of an intelligent program called "Author Meets the Critics." We called in the program's

handsome and well-spoken moderator, the critic John K.M. McCaffrey, who won the audition and the job. His news experience, if any, figured not a whit in the choice.

On the "Today" show, I worked with Frank Blair, a personable former newsman who considered himself quite capable of writing his own material. He was not allowed to do so, of course, and Frank never really came to terms with the fact. But though he grumbled, he read — on and on for years on end.

One "Today" show practice was to leave the last news item for the star, Dave Barry. Dave first saw the copy when it appeared on the Teleprompter. Quite often, in the years I was his director, his stumbling reading confirmed his lack of familiarity with the copy.

So Betty Rollin is describing a situation of long standing. I thought it was rather fraudulent when I was part of the game, and her reminding me only renewed that belief.

HOWARD L. DAVIS
New York, Aug. 15, 1983

Guatemala's Path To the Presidency

To the Editor:

Stephen Schlesinger's article on your Aug. 11 Op-Ed page, "Guatemala's Coup II," correctly concludes that the significance of Guatemala's recent coup is its insignificance. Moreover, the establishment of General Mejia Victores as President reestablishes a depressingly familiar pattern.

Since 1954, nine men have officially been recognized as President of Guatemala. Eight of them had or have a military background. Of these, five were Ministers of Defense before assuming the presidency:

General Azurdia, President from 1963 to 1966; General Laugerud Garcia, President from 1974 to 1978; General Lucas Garcia, President from 1978 to 1982; General Anibal Guavara, elected President in a fraudulent election in 1982, and now General Mejia Victores.

It is clear that in Guatemala the road to the presidency often runs through the Ministry of Defense.

FAUSTO C. ANGUILLA
Washington Office on Latin America
Washington, Aug. 11, 1983

Non-Parallel

To the Editor:

Let's get "Afghanistan's Parallel to Central America" (Aug. 12 Op-Ed article by J.S. Mehta) straight.

The United States interferes in civil wars in Central America. The Soviet Union has invaded Afghanistan. There's a distinction between 57 advisers and sabre-rattling on the one hand, and 100,000 combat troops and chemical warfare on the other.

Let us keep the distinction clear in our minds lest we blur it in reality.

ROGER L. HELMS
South Orange, N.J., Aug. 13, 1983

The Rabblement's Designs for 'All the Lawyers'

To the Editor:

Lawyers have enough detractors today without adding Shakespeare to the list, as did Irving R. Kaufman in his Aug. 14 Op-Ed article.

Judge Kaufman did correctly quote the famous passage from Henry VI, Part II, Act IV, Scene ii: "The first thing we do, let's kill all the lawyers." Taken in context, however, this exhortation is tribute to the role of lawyers in a stable society.

These lines are spoken by Dick the Butcher, a follower of the "monstrous rebel" Jack Cade. Cade and his "rabblement" seek the overthrow of the King and his lawful government. The Butcher also wants the rebels

to "break open the gaols and let the prisoners out." Cade and his followers advocate, among other things, the destruction of the Inns of Court (then, as now, the abode of lawyers), the burning of all the records of the realm ("my mouth shall be the parliament of England") and death to all scholars, courtiers and gentlemen (as well as lawyers). Clearly, the rebels fear lawyers as a stabilizing anchor for the lawful government.

Cade's severed head is presented to the King. The Butcher's fate is unknown, but his descendants abide with us.

RICHARD M. SPECTOR
Detroit, Aug. 15, 1983
The writer is a lawyer.

Inauguration and the Super Bowl, Too

To the Editor:

There has been some discussion in The Times about the possibility in 1985 of the Presidential inauguration and the Super Bowl falling on the same day. Those of us who are calendar and diary editors, with our 1985 lines already well into production, have already faced the question of what happens when the Jan. 20 inauguration date falls on a Sunday: The last time this occurred was in 1957, for Dwight

Eisenhower's second inaugural. What took place then was a private oath-taking that Sunday morning in the White House, followed on Monday, Jan. 21, by the public ceremonies on the steps of the Capitol and the Inauguration Day parade and other festivities.

Calendars and diaries for 1985 will therefore list Jan. 21 as Inauguration Day. There should be no conflict with the Super Bowl.

HENRY H. REINS
Albany, Aug. 13, 1983



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WASHINGTON

All Quiet On the Potomac

By James Reston

WASHINGTON, Aug. 20 — The capital of the United States is very quiet now, relaxing in the summer heat. The President is at his ranch, and the members of Congress are in their districts. It's a pause for rest and reflection, long overdue.

The thought in this corner is that we've been worrying too much about foreign affairs and not enough about home affairs, our families, our children, our schools and our neighbors.

The Administration announced the other day that 15 percent of our people, or 34 million, were now living in the richest nation in history below the official poverty line — the worst record in 17 years. It was a one-day story.

A little more attention, but not much, was paid a few weeks earlier to an education commission's report that we are shortchanging our kids in the schools, and settling for "mediocrity." The official crime and divorce rates are even worse.

The Big News this month was on the Navy off the shores of Nicaragua, the Marines in Honduras, and on Chad, of all places, in Africa. Also on the American League East, with five teams struggling for first place, and on reports that maybe 50 percent of the players in the National Football League were using, if not hooked on, cocaine.

Also it was noticed prominently on the TV news and in the style sections of the papers that Elizabeth Taylor had married for the eighth time. And on the obit pages that Ira Gershwin was gone but not his songs, and that Ben Cohen, who probably did more to help the poor than anybody else as an architect of Roosevelt's New Deal, had died alone in Washington of old age and "neglect."

This is not very happy summer reading, but it makes you wonder whether we are thinking about the main things, and where we are and where we're going.

Are the Russians really the main "clear and present danger" to the U.S. and the rest of the free world?

Are "interest rates" the problem, or are we interested in the wrong things? Is it reasonable to suppose that Colonel Qaddafi in Libya and Fidel Castro in Cuba, these posturing puppets, are really so great a threat to the security of the United States that we have to concentrate on them as much as we do?

Mr. Reagan sees them as actors on the world stage, and for him, the stage is everything. He is fascinated by the theatrical and propaganda techniques of the Communists, and he has a point.

We can't ignore the progress of the Soviet state since 1917, or its military power. But in their own terms as the authors of a political system in the interests of their own people, the Russians are without doubt the most spectacular failure of the century.

Their own people don't believe in them. The Communist parties of Western Europe no longer regard Moscow's economic theories as a model for their societies. Every year in this advancing computerized world, they fall further behind, trying to keep up by borrowing and stealing modern technology, and buying grain from the capitalist countries to feed their people.

No doubt we are right to maintain a balance of military power with the Soviet generals. It's the only power they have, but Secretary of State Shultz, among others in the Administration, has been arguing that Washington should not push the Russians too far on military questions, where they are strong, but try to cooperate with them on economic questions, where they are weak.

It all depends on how you look at this tangle, and how we should approach it in the last half of the 80's. I think we've won the cold war and don't know it, that the Russians are terrified of freedom and don't know how to handle it, other than by building more missiles and making more threats.

In a way, Mr. Reagan is doing the same. He deals with them in terms of power, having no new ideas of his own. He has a couple of sincere but simple convictions: First, that the Russians are like the Nazis, whereas even his own Soviet experts tell him that Yuri Andropov is no Hitler and that the old man of the Moscow collective leadership, with their memories of losing over 20 million lives in the last world war, are much more cautious.

Second, his nightmare is Pearl Harbor, and the threat to the Republic is such that it could be destroyed by a sudden nuclear strike, or surrounded by Communist infiltration by Soviet arms through Cuba into Central America.

It's a philosophy of fear based on military attack and political and military infiltration. It's the way Mr. Reagan views the world, and is likely to regard it as he thinks about running for another term as the defender of Reaganomics and anti-Communism.

He's dead serious about this, both at home and abroad, but you would think that while he's supposed to be making up his mind about whether to run again, there would be some discussion about whether, in the national interest, that would be a good idea.

But there is now no such debate within the political parties or even in the press. It's vacation time. The sun is shining, almost too hard. It's a respite, not for thinking but for forgetting, and everybody will think about the consequences later.

WASHINGTON — If you thought Social Security's retirement programs were in trouble before the recently enacted Congressional rescue package, wait until you see the condition of Medicare.

It's on the danger list, a diagnosis confirmed in a recent trustees' report on the current financial status and projected future expenditures of the three Social Security trust funds. Medicare, like the soaring Federal budget deficits that threaten economic recovery, is a tremendous fiscal challenge that we cannot afford to defer until after the 1984 elections.

Since its introduction in 1965, Medicare — which is one of the three trust funds of the Social Security system — has played a vital role in supporting acute care services for aged and disabled individuals. In fiscal 1967, the first year Medicare was in operation, total outlays for the Hospital Insurance Trust Fund amounted to \$3.4 billion; in fiscal 1983, \$41.2 billion. By fiscal 1990, according to the trustees' report, outlays will rise to \$86.6 billion for hospital insurance.

The annual trustees' report tells us that without responsible action soon, the Hospital Insurance Trust Fund — which accounts for about two-thirds of all Medicare expenditures — will be barely adequate to insure the payment of benefits through the end of this decade, and that by 1996 the fund is likely to be exhausted.

This kind of gloomy prediction sounds all too familiar to anyone who followed the 12-month struggle last year in Washington to shore up Social Security's retirement funds. The lesson we learned then was that, despite the acute political sensitivity of the Social Security issue, responsible action was possible: Thanks to bipartisan Congressional efforts and strong leadership from the White House, the troubled retirement programs were finally made solvent.

Unfortunately, the same cannot be said of Medicare. To bring the hospital program into balance, program spending will either have to be reduced by 30 percent, or financing of the program increased by 43 percent.

Cutting benefits or raising taxes — a dilemma that paralyzed Social Security reform for years. Medicare will be no easier to deal with, but deal we must. As medical technology advances and longevity increases, the amount of money that the nation could spend on health care is almost boundless. The spending decisions that will have to be made must address a series of tough questions: Who is responsible for the cost of care? How can we control health care costs that continue to outstrip increases in the cost of living as a whole? How can we encourage more efficient delivery of hospital, skilled nursing and home health care services, and wiser use of existing resources? What role should patient cost-sharing play?

Rapid growth in program expenditures is not new to Medicare. Since 1970, Medicare outlays have been increasing at an average annual rate of 17.7 percent. These alarming increases result from a great many factors, including increases in the price of care, an inflationary reimburse-

ment system, expansion in the volume of services provided, an increase in the number of enrollees and rapid advances in health care technology. In designing a solution to the Medicare funding problem, each of these causal factors must be considered.

There are those who have already begun to press for the establishment of a new Presidential commission to address these issues. I would argue that first we ought to allow the Congress an opportunity to do what it is here to do. In my view, we should revive the bipartisan spirit that marked the success of the Social Security rescue plan.

There will be those who will urge us not to consider certain options they believe to be undesirable, such as increased beneficiaries' cost sharing.

Bob Dole, Republican of Kansas, is chairman of the Senate Finance Committee, which has jurisdiction over Medicare and Social Security.

WASHINGTON — The Administration's campaign to defend its civil rights record is a transparent attempt to divert attention from the facts.

In ways not widely noticed, the Administration's record shows a wholesale retreat from the nation's bipartisan commitment to vigorous civil rights enforcement. This is particularly evident in housing and education, two fields where the Administration has focused much of its recent publicity efforts.

In housing, the Administration proclaims that it has conducted more than 60 "investigations" of discrimination, but the Justice Department has actually filed only six new Fair Housing Act lawsuits since the Administration took office. This passive record compares with some 19 new cases a year from 1978 to 1980, and is less than one-tenth of the annual average of 32 new cases during the predominantly Republican years of 1969 to 1978. The Department of Housing and Urban Development's Assistant Secretary for Fair Housing and Equal Opportunity, Antonio Monroig, has complained about this lack of effort.

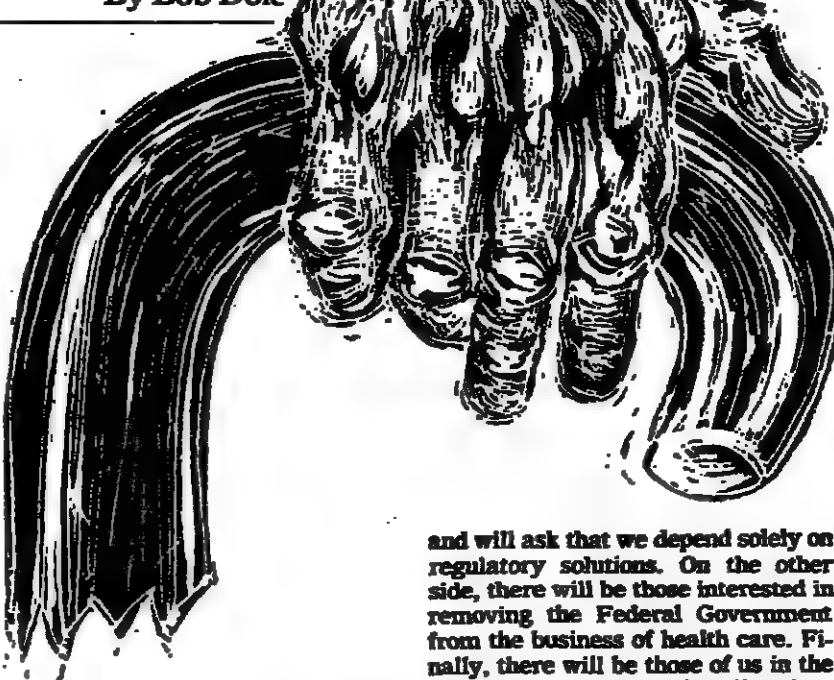
In addition, policy shifts have surfaced in pending cases, such as instructions to staff lawyers not to use traditionally approved doctrines that focus on the discriminatory effects of defendants' actions.

In spite of this record, the Administration has proposed "strengthening" the Fair Housing Act by giving more authority to the Justice Department. Small wonder that civil rights groups are skeptical, particularly since the proposal provides only fines and not additional remedies for victims of discrimination. The Administration

Elliot M. Minberg, a lawyer, is president of the Washington Council of Lawyers.

Medicare Financing Will Need An Rx

By Bob Dole



ment system, expansion in the volume of services provided, an increase in the number of enrollees and rapid advances in health care technology. In designing a solution to the Medicare funding problem, each of these causal factors must be considered.

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A Retreat On Rights

By Elliot M. Minberg

opposes a bipartisan bill sponsored by Senator Edward M. Kennedy, Massachusetts Democrat, and Senator Charles McC. Mathias, Maryland Republican, which would strengthen administrative procedures and provide additional relief for victims of discrimination.

The Justice Department lawsuit filed July 11 against Alabama state officials charging racial segregation in the Alabama higher education system was the first new education case in two and one-half years. Contrary to the Administration's claims, this is the worst education suit record since creation of the department's Civil Rights Division in 1957. Even so, the Alabama suit was filed only after a Federal court ordered that action be taken against Alabama, after an inquiry by the United States Civil Rights Commission and after the Education Department referred the situation to the Justice Department more than 18 months ago. And the Justice Department has recently accepted a settlement in a similar segregation case in North Carolina that violates the Education Department's own compliance guidelines — a development that hardly inspires confidence in the Justice Department's handling of the Alabama case.

The Justice Department's treatment of other pending cases is even more revealing. The department has argued for a narrow interpretation of laws banning discrimination in fed-

and will ask that we depend solely on regulatory solutions. On the other side, there will be those interested in removing the Federal Government from the business of health care. Finally, there will be those of us in the middle, ready to consider all options for reform including encouraging people to use noninstitutional services, such as home care. Above all, we must devise a balanced legislative package.

A consideration of proposals for change should begin immediately. If reforms can be made now, even if they are only incremental, then they should be made.

Until we can assure Medicare's solvency, we can't begin to consider expanding existing benefits or adding new ones. And, as we all know, there are a great many concerns facing the elderly and disabled in this country, including the absence of a cohesive long-term care policy. However, we need to solve the existing financing problems before we can hope to solve others.

Act Fast in Mideast

By Patrick Cockburn

LONDON — Unless the United States acts fast to create conditions for negotiations between Arabs and Israelis, it may soon see the end of 10 years of predominance in the Middle East. We have reached the end of the era in which land can be exchanged for peace, and soon an American-brokered agreement will no longer be possible.

A year ago, the United States seemed to stand at the peak of its influence in the Middle East. After the Israeli invasion of Lebanon, the Palestine Liberation Organization left Beirut under an agreement arranged by the United States' special envoy, Philip C. Habib. The Soviet Union's inability to do anything to help the Syrians brought its influence in the region to a new low. All roads seemed to lead to Washington.

Only Washington seemed capable of giving the new Lebanese Government real muscle and getting Israel to withdraw from Lebanon. The Reagan peace plan, announced almost exactly a year ago, called for a freeze on settlements, and negotiations on autonomy for the West Bank and Gaza in association with Jordan. It appeared to be the most realistic effort to get talks on the future of the Palestinians underway.

A year later, the United States has suffered a series of diplomatic defeats. The Israelis are planning a long stay in Lebanon and their troops are digging in along the Awali River. The Syrians have repeatedly said they will not withdraw and the Lebanese Government is at the mercy of local warlords. The recent journey of the new United States special envoy, Robert C. McFarlane, around the region is an embarrassing demonstration of impotence.

It would be wrong to dismiss Mr. McFarlane's failure as a passing phase. His inability to get a serious hearing in so many Middle East capitals is a demonstration of the way in which the very basis for peace has been eroded within the past year. This in turn has reduced American leverage, so dependent on the role of arbitrator between Israel and the Arabs, to its lowest point in the region since 1973.

The diplomatic failure of the Reagan Administration in the Levant in 1982-83 may prove as significant as the overthrow of the Shah in Iran in 1979 in reducing the United States' power in the Middle East. Small-scale military exercises in Egypt and Oman do nothing to change the sig-

Patrick Cockburn writes about the Middle East for The Financial Times of London.

nificance of this strategic reverse. However distant the prospects for successful negotiations appeared over the last decade, they all depended on an arrangement being reached under which land would be exchanged for peace. Agreement was reached between Israel and Egypt because the Sinai could be given back in return for a peace treaty. Any further deal depended on the West Bank being returned in some guise or other and this assumption lay at the heart of 10 years of American peace initiatives.

This has now changed. Since the Reagan plan was announced, the establishment of Israeli settlements on the West Bank has been speeded up. Creeping annexation is replaced by galloping annexation. By stating that it is "impracticable" for such settlements to be dismantled, Secretary of State George P. Shultz has in effect insured that no new peace initiative will be able to get off the ground. The *quid pro quo* no longer exists.

The daily fighting in Lebanon tends to overshadow the significance of these changes. Diplomats and the press concentrate on the skirmishes in the hills above Beirut, downgrading the transformation of the West Bank. From Menachem Begin's point of view this shift in focus is one of the most useful consequences of the invasion of Lebanon.

Knowledge that the Administration is either unwilling or unable to deliver on the West Bank and Lebanon clearly makes the United States a less attractive ally to the Arabs. Pro-Western regimes are conscious that close links with Washington does little for their domestic popularity. More significant, the final absorption of the West Bank may mark the end of American predominance in the region, a crucial prop of which is the belief that Washington has the power to get negotiations underway.

The consequence of these two failures — to get Israel to freeze the settlements and to withdraw from Lebanon — is already having an impact on American influence in the region. The Syrians have cultivated closer relations with Moscow while Saudi Arabia and Kuwait are distancing themselves from Washington.

The key failure was to allow the Reagan plan to falter and expire. From that moment, Washington has never been able to regain the political initiative. Without a freeze on settlements, which would keep alive the hope that the West Bank is in some way negotiable, it has little to offer the Arabs and reduced leverage on Israel. Ingredients for any future peace initiative will soon no longer exist.

ABROAD AT HOME

The Limits of Force

By Anthony Lewis

BOSTON, Aug. 20 — At this time a year ago Israel was winding up its war in Lebanon, claiming major political as well as military victories. The P.L.O. had been defeated in battle and Syria humiliated. With that, it was said, there would be a "stable, sovereign Lebanon" — a Lebanon at peace with Israel.

The words ring with irony now. There is no stability in Lebanon. Its Government is effectively sovereign only in and around Beirut, not including the airport. There is no peace, and relations with Israel are an agitating factor in the country's murderous political divisions.

There was a small incident the other day that showed how distant reality is from the visions of a year ago. Israel's Defense Minister, Moshe Arens, appeared in Beirut and was feted by the Phalangist Christian militia. The Prime Minister of Lebanon, Shafik al-Wazzan, threatened to resign in protest. To calm him, President Amin Gemayel, himself the leader of the Phalangists, criticized the Phalangists and asked the Cabinet to "condemn the Arens visit."

The Lebanese adventure has gone wrong for Israel in many different ways. For the people of Israel the worst miscalculation has proved to be the human cost. More than 500 Israeli soldiers have been killed in Lebanon, so far, and the casualties continue. That is a direct result of expanding the invasion beyond the stated original objective of clearing the P.L.O. from a 30-mile strip in southern Lebanon — an objective that was achieved in a week, with few Israeli casualties.

A major gain claimed for Israel in the war — and for the United States — was the showing up of Soviet weapons. Syria's Soviet-made aircraft and anti-aircraft missiles were simply overwhelmed. Syria had been significantly weakened, it was said, and Soviet influence set back in the whole region.

The result has been the contrary. The Russians have made an extraordinary effort to rearm Syria, pouring in new weapons and advisers. That demonstration of commitment and resources has no doubt impressed the Arab world. Syria, with its arms restored, is taking an aggressive political line in Lebanon and exercising greater influence on Saudi Arabia and the Gulf states.

In Lebanon itself the Israeli invasion removed one large cause of political trouble: the P.L.O. state-within-a-state. But the myriad other conflicts of sect and tribe that afflict the country were not resolved and in some cases may have been aggravated.

For example, the Shuf mountain region above Beirut escaped the worst of Lebanon's civil warfare over the

years. There was an arcane system of understandings there between the Druze sect and the Maronite Christians. It was upset when Israeli forces came in, and what will happen when they leave? The recent Druze shelling of Beirut airport was a pre-emptive show of force.

The division of Lebanon, with its complicated hatreds and private armies, is of course not to be blamed on Israel. But the assertion of a year ago that the invasion would help end all that has proved fatuous. The country is nearer total partition than ever.

When there seemed to be a chance for a Lebanon free of foreign armies, when the Israeli-Lebanese withdrawal agreement was signed, Syria said no. That disappointed many, including the United States Government. But in truth there never was any chance that Syria would say yes to an agreement that to a significant extent detached Lebanon from the Arab world — and did so without a settlement of Syrian-Israeli issues.

Israel rightly yearns for a peace treaty with Lebanon as with Egypt. But what the last year has shown is that such a peace is not obtainable by force. An opposition member of the Knesset, Amnon Rubinstein, said the Government had not understood the limits of force in politics. "An insensitivity to political facts," he said, "blinded the government and resulted in the fiasco of the war in Lebanon."

In Israel there were and are deep divisions over what is called a "war of choice" — not of necessity. The phenomenon of war resistance appeared for the first time, with some reservists refusing to serve in Lebanon. Now the economic costs are beginning to be felt. There are concerns about the moral responsibilities taken on by Israel: for one, the fate of thousands of Palestinian refugees now without other protection in Lebanon.

The doubts in Israel are not, I think, matched among Israel's supporters in this country. They waived when the bombs fell on Beirut, but now many seem to resent any expression of doubt about the Begin Government's course in Lebanon. And that is so even though Prime Minister Begin himself reportedly is suffering from doubts.

The immediate excuse for the invasion in June 1982 was an assassination attempt by a Palestinian splinter group on the Israeli Ambassador in London, Shlomo Argov. Last month Mr. Argov, recovering from his wounds, spoke out about the war. "Those who brought it upon us," he said, "should have thought more than twice about the price, especially in human life. The Lebanon war is an unsuccessful war, and the people of Israel came out weakened by it."

Arts & Leisure

'La Cage' Now Comes as a Musical

By LESLIE BENNETTS

Recently a friend of Arthur Laurents went to see "La Cage Aux Folles," which Mr. Laurents directed. After the first act he asked Mr. Laurents archly, "Are there any tricks you haven't used?"

Mr. Laurents grinned. "Yes, and they're all in the second act," he replied.

"La Cage Aux Folles" is that kind of musical: extravagant and splashy, with a lavish succession of costumes and flamboyant chorus numbers.

But despite its old-fashioned ingredients and the glamour that \$5 million can buy, the fact that "La Cage" has been a box office hit in Boston has surprised even its principals. After all, a musical comedy about a pair of middle-aged homosexual lovers, featuring a flouncey chorus of drag queens, is not exactly the kind of fare guaranteed to elicit standing ovations from strait-laced Bostonians. Nevertheless, "La Cage" brought cheering audiences to their feet throughout seven weeks of performances in Boston, where it grossed nearly \$2 million and sold out the last four weeks.

The show must still win critical and audience approval in New York, where it opens tonight at the Palace Theater. But with \$4 million in advance ticket sales, even mixed reviews may not prevent it from being a commercial success.

Its director acknowledges that the subject of "La Cage" is a risky proposition. "I think this show is actually very deceptive, because people do not expect something that is that entertaining to be saying anything they might be afraid of," Mr. Laurents says. "This play has an audience crying and cheering for several things that if you took a Gallup poll they would be against. Drag queens? A boy accepting a man as his mother? The love of two men, onstage in an American musical comedy, singing a love song to each other and meaning it?"

"La Cage" was written by Harvey Fierstein, the Tony Award-winning author of "Torch Song Trilogy," and it has a score by Jerry Herman, the composer and lyricist responsible for "Hello, Dolly!" and "Mame." It is based on the original French play by Jean Poiret, which ran in Paris for more than seven years and inspired the successful movie "La Cage Aux Folles" and its sequel "La Cage Aux Folles II."

The musical stars George Hearn and Gene Barry as Albin and Georges, the longtime lovers whose domestic peace is shattered when Georges's son — the product of a long-ago one-night stand — announces his intention to wed the daughter of a crusader for public morals. The son begs his father to present himself as a solid heterosexual citizen rather than what he really is — namely the homosexual owner of a St. Tropez nightclub renowned for its drag queens. Complicating the situation is the fact that the most famous of these drag queens is the flamboyant Albin, also known as Zaza, who raised the boy "like a mother" and is only too eager to present himself to the prospective in-laws as exactly that — the proud mother of the groom.

Despite the inevitable stresses of bringing a very large, very expensive musical to Broadway, Mr. Laurents seems to be thoroughly enjoying himself. Although he hasn't been highly visible on Broadway recently, Mr. Laurents has had more than a bit of experience in such matters, both as a writer and as a director. The author of "West Side Story" and "Do I Hear a Waltz?" among other musicals, he also wrote the book for "Gypsy," and his directorial credits include "I Can Get It for You Wholesale." In addition, Mr. Laurents has written screenplays for such films as "The Way We Were" and "The Turning Point."

Although he had had a lukewarm response to the movie of "La Cage Aux Folles," Mr. Laurents was enthusiastic when approached with the prospect of working with Jerry Herman and Harvey Fierstein on the musical. "I'd been looking for something to direct," he says. "Every once in a while, I like to do it, but it's very hard to find something worth spending all that time on. Basically, I consider myself a writer. Writers are the chosen people; they're the luckiest, to have that kind of talent. I read about how awful it is to be alone in that room, but I love it. Everyone daydreams and fantasizes, and that's what writing is — putting your daydreams and fantasies down on paper. You're not alone, you're with all these creatures."

Directing offers its own rewards, however. "I like directing because I like working with actors, and I like seeing how much you can get out of material beyond what seems to be there," Mr. Laurents observes. "I also, like everyone else who stays in theater, am wildly stagestruck. It's enormous fun, and exciting to use

every kind of theatrical device you can think of to make a piece more exciting and illuminating and moving."

The magic of the theater has captivated Mr. Laurents since he was a small child. "It was the moment of the curtain going up," he muses. "You never knew what you were going to see. I think one of the greatest things in life is to be surprised — pleasantly surprised. That's one of the things that keeps us going in life. Theater is a fantasy, and you can make it all come true."

What Mr. Laurents calls "tricks" — he doesn't want to enumerate them, lest he spoil any surprises — he sees merely as tools. "You can't get by with just tricks, but you use them to heighten a theatrical moment," he explains. "It's the childhood part of theater, all the glamour and glitter and beads and feathers and sequins, and disappearing this and appearing that. But finally it has to get down to people and emotions, and that's been missing from musical theater, badly. I really feel that musical theater has been getting lost in all the icing, with no cake. It's lovely to see the icing, but if you're going to spend \$45, there has to be more. I think so many people have the mistaken notion that to be positive is to be inartistic, and that cynicism and a bleak view of life equal art. I don't believe it. Grubbiest has no monopoly on truth. Personally, I don't know why Beckett doesn't jump out a window, given the way he sees the world. All the icing and the glitter make people feel better, and if you feel better you're more disposed to accepting what's served to you. I think people do need somebody else to say, 'Yes, life is glorious, or can be, if you let yourself go emotionally — and have a sense of humor about it.' I think 'La Cage' does that."

Whether or not Broadway audiences will be disposed to accept what's served to them in this case, Mr. Laurents is frankly pessimistic in his perception of public attitudes toward homosexuality. "I think gays are at the lowest end of the scale," he says. "Everybody looks down on gays."

Nor does Mr. Laurents harbor any illusions about its potential long-term effect. "I don't think theater changes attitudes," he says matter-of-factly. "I think we would like to think that, but I don't believe it."

Although the context of "La Cage" is highly specific, Mr. Laurents sees its message as universal. The show's theme is encapsulated in the first act curtain number, when George Hearn, as the maternal drag queen hurt and angered by his surrogate son's attempt to exclude him from the prenuptial proceedings, sings a proud and defiant song called "I Am What I Am."

"What it is saying in terms of the character is very important to every single member of the audience," Mr. Laurents declares. "It's the way everybody should feel about himself and his life. This show takes you into a fantasy world in St. Tropez with people who are not quite connected with reality, but it ends with what life is all about: two people who love each other. You love somebody else, and you have it. There's no security blanket like the love of another person whom you love."

Indeed, Jerry Herman — who says he never thinks in terms of messages when working on a score — views "La Cage" as a love story above all. To him, the essence of the show is summed up in a tender love song called "Song on the Sand," which Georges sings to Albin. "I chose the very identifiable situation of remembering part of a song that reminds you of an earlier time," Mr. Herman says. "Georges sings, 'I hear la da da da da da and I'm young and in love,' but it's not only about Georges and Albin; it's about anyone who remembers the beginning of a love affair. I watch couples hold hands during that number, and it thrills me."

MUSIC NOTES

Incentives

The opera-musical theater division of the National Endowment for the Arts has announced a new program designed to encourage independent "producers" to create and present new work. The program is an extension of an extant program that seeks to encourage actual opera companies and other performing institutions to foster the new.

The new program is aimed at unfiliated innovators — be they artists, composers or avant-garde impresarios — to aid exploration of new kinds of mixed-media theatrical synthesis. The deadline for applications is Sept. 23, and guidelines can be obtained by writing Opera-Musical Theater, National Endowment for the Arts, 1100 Pennsylvania Avenue, N.W., Washington, D.C. 20506.



Gene Barry, George Hearn and "Les Cagelles" in "La Cage Aux Folles," directed by Arthur Laurents. Opening tonight at the Palace Theater.

This is an emotion that works for all people. It's the same love everyone has, if they're lucky."

Harvey Fierstein says he was two-thirds of the way through writing "La Cage" before he realized what it was about. For him, the emphasis is slightly different, focusing on the son's journey toward an understanding of what is important in life. "Obviously, what we want people to go home with is a reaffirmation of relationships," Mr. Fierstein says. "I hate to call it a family unit, but that's what it is. A family does not have to be blood relations; it's people who come together and take care of each other. If I had to sum up what the show is about in one phrase it would be, 'Honor thy father and thy mother' — whether that's your real father and mother or the people who have made you a person or the people who care about you. Everyone says I'm old-fashioned, that I'm trying to turn homosexuals into heterosexuals, but I believe that love and marriage and family and commitment do not belong to heterosexuals. They belong to the human experience, and gays should have those options."

If "La Cage" changes no one's attitude toward homosexuality, Mr. Laurents thinks it may at least prompt its audiences to a renewed appreciation of the power of love. "What I hope they will take away from it is a simple point," he says. "Everyone has games they play, and here are two people who play these games. And one of the things you must understand about loving someone is that there are going to be times when this person is going to behave what you consider to be very badly, for a reason that is separate from you. But if you understand that they can do that and still love and respect you, then the love will go on. But you must finally demand from the other person; you must call them to account, and say, 'You have now gone too far — this you cannot do.' The other person will see it, and say, 'You're right.'"

That, at least, is how it happens on Broadway. For Mr. Laurents, the power of fantasy is transcendent, and has been since he was a child growing up in Flatbush. His theatrical debut was provided by summer camp, where — because he was "agile enough to climb up the mast of a ship and bright enough to remember some lines" — he was cast in a play called "The Crow's Nest."

Thus began Mr. Laurents' journey to make regular pilgrimages into Manhattan, going to the theater alone at the age of 10 or 11 and bringing a book to read during intermission. He also wrote his first play at that age, an opus that he envisioned as a short story but that was all in dialogue.

He began his career in show business writing radio plays, and although World War II intervened, it also helped to propel Mr. Laurents into the big leagues. While in the Army, he wrote a play called "The Home of the Brave," which was produced on Broadway after the war.

"The play was enormously helpful to me as a person, because I was very young, in my mid-20's," Mr. Laurents recalls. "The play was a succès d'estime, and it was sold to the movies, but it was essentially a flop. And what I learned was that anybody who believes it — success or failure — is dead. That atrocity, you as a person and as a writer. You have to really try to believe what you think. So I've never suffered since then, from success or failure. They're just part of

my profession. The first time around, I was too young and too dumb to know what was happening. But I've seen so many writers have themselves, which is of first importance, and their talent, which is of second importance, badly damaged by believing what the press or what fashion says. People in general become closed to life, and that's very bad for people in the arts, particularly successful people. You find most successful people repeating themselves, because it's safe. To do anything, particularly in the theater, is really walking out on a gangplank and diving out into a sea of sharks."

Mr. Laurents pauses and smiles, a wicked glint in his eye. "Then again, I love the ocean," he adds.

Although he has not been a major presence on Broadway in some years,

his reaction is one of genuine amusement at the thought that some might view his present venture as a significant upturn in his career. "In people's minds, this may be the comeback of a has-been, but I don't think about it like that," says Mr. Laurents good-humoredly. "I've always been busy. So you're between lovers — there's always another one coming along. Suppose this was a big flop. I'd say, if this one doesn't work, there's always the next one."

He is as philosophical about success as about failure; although he has enjoyed major successes, they have always left him unsatisfied. "I never thought I was good enough, by my own standards, and I still don't," he says.

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Over 60 years experience

The Post's Daniel Gavron tags on to a tour of Israel by a group of Friends of Peace Now from abroad.



Friends of Peace Now visit Elkana during a tour of West Bank settlements (left) and meet with a member of Kfar Adumim to hear the settlers' case... 'We are a loyal Zionist group, a loyal opposition.'



(Joel Fishman)

QUESTIONS AND CONTRADICTIONS

"TO BE HONEST, if the Arabs were in charge of water, electricity and law enforcement, that would be pretty scary for us."

The place is Kfar Adumim, on the road to Jericho. The speaker, Judy Cooperman, 35, dark-haired and thoughtful, is an American immigrant of two years. The question: whether she would be prepared to stay in Kfar Adumim, if the area were returned to Arab rule.

Her interlocutors are members of the first-ever tour of Israel organized by the Friends of Peace Now from abroad. Initiated by the Friends in Chicago and the Mordechai Anilewicz circle of New York, the group's members come from all over the U.S. A couple from England have joined for today's West Bank tour.

The questions come thick and fast: why didn't Cooperman settle in Galilee? Shouldn't the Palestinians have self-determination? What sort of territorial compromise is possible on the West Bank? Would she be prepared to leave her village for a Sinai-type peace settle-

ment with Jordan or the Palestinians?

Cooperman handles herself well, speaking sincerely, but without heat. She doesn't think there will be compromise on the West Bank, because the PLO won't let it happen. She thinks the Arabs will eventually accept Jews having the whole Land of Israel. If the area were returned to Arab rule she supposes she would agree to leave — but it wouldn't happen.

Her answers don't satisfy her audience, but they are warm in their thanks at the end of the dialogue — possibly to compensate for their tough questions and to express appreciation for her guts.

"I like talking to people with different views," Cooperman smiles. The members return to their bus. Their next meeting is with former acting mayor of Hebron, Mustafa Natshe.

This is a tourist group with a difference. Made up of rabbis, lecturers, social workers and journalists, it ranges in age from late 20s to early 60s. The bus is not air-conditioned; the visitors eat

sandwiches and sleep in youth hostels and kibbutzim. They pay their own way.

The initiative came from abroad, explains Peace Now's foreign contacts chief, Hebrew University lecturer Galia Golan. The movement, together with Kibbutz Artzi, arranged an intensive two-week programme of seminars, tours, lectures and discussions. A seminar at Givat Haviva, the Kibbutz Artzi seminary, was followed by a tour of Galilee, where the members met with Jews and Arabs. After the West Bank tour would come a one-day seminar with lecturers like former IDF Intelligence Chief Prof. Yehoshafat Harkabi and former senior Foreign Ministry official Alouph Hareven.

FOR PROF. Elia Zashin, 43, this is the first trip to Israel. Taking frequent sips from his water-bottle, Zashin, who teaches political science at the University of Illinois and is a member of the local Nuclear Weapons Freeze campaign, explains that he has felt uncomfortable about Israeli policy

since the late 1960s.

"When I read the first reports in the American press about Peace Now, I felt that here at last was a group I could relate to," he says. He had never wanted to visit Israel — and certainly not as a tourist — but the programme of the Chicago Friends had at once appealed to him.

Coming here has confirmed his feelings. On the one hand he is distressed by Likud government policy and concerned about the separation of Jews and Arabs into "separate compartments," even inside Israel; on the other, he has been inspired by the many people he has met who are working for peace and coexistence, warming particularly to some of the Kibbutz Artzi veterans. They have, he feels, devoted their lives to social justice and building a better society.

Now that he has come once, he will return. He would very much like to spend a semester teaching at one of Israel's universities.

Peter Gray, 28, founder of the Chicago Friends, Roby Newman,

25, of the Mordechai Anilewicz circle in New York and David Cesarani, 27, founder of the British Friends of Peace Now, have all been to Israel before. All of them make the same point. There is, they say, a large reservoir of Jews sympathetic to Israel who are turned off by the present Israeli policies. The Friends of Peace Now groups give these people a chance to identify with Zionism.

"We are a loyal Zionist group," emphasizes Gray. "A loyal opposition."

Newman points out that the Anilewicz circle attracts left-wing Jews who would otherwise be hostile to Israel. "We are caught in the middle," she says. "The left regards us as Zionist imperialists and the Zionist establishment looks on us as left-wing extremists."

Coming on this trip, she asserts, has reinforced her hopes for aliyah. She has met people she would like to work with, and found a cause for which to fight.

ARRIVING IN Hebron, the group crowds onto the veranda of Mustafa

Natshe's pleasant villa, together with another busload of Peace Now youth leaders. The former acting mayor's sons somehow contrive to serve all their 50 guests with orange-juice, giving the impression that the family has done this before with other groups.

Natshe is urbane, charming, humorous, and Galia Golan's brief word of thanks at the end of an hour's conversation is reinforced by a strong round of applause.

Natshe pays a warm tribute to Peace Now. The people of Hebron know who the people of this movement are, he tells the group. They know that when there is trouble there is one group of Israelis who will come and show solidarity, and they appreciate this.

Natshe puts over a strong plea for a two-state solution: Israel and a Palestinian state, side by side; but he also insists that the PLO is the only representative of the Palestinian people. The group spots the inconsistency and the exchanges are vigorous.

"Why is there no Peace Now

among the Palestinians?" demands one of the group. Natshe replies that he would come to Tel Aviv and demonstrate with them, if he could. "No," they insist. "We will oppose Begin — your job is to oppose Arafat."

Natshe stands firm. He sees no reason for him to oppose the PLO. He maintains that, if the Israeli government recognized Palestinian rights, the PLO would recognize Israel.

A visitor refers to the Camp David accords: there Prime Minister Begin recognized "the legitimate rights of the Palestinians." Not enough, insists Natshe: there must be acceptance of a Palestinian state. And there matters rest. The visitors are impressed, but fully aware of the contradictions.

Before the bus leaves Hebron, it stops at a local glass factory, and for 10 minutes the group becomes a conventional tourist party, bargaining, buying souvenirs and posing for photographs with the glass-blowers. Then it is back to Jerusalem.

IN THE GOOD old days of the silent film when nothing seemed funnier than a couple of guys heaving custard pies at each other, a routine considered almost as funny involved two people rushing towards each other with arms outstretched, while the audience waited for the clinch. It never happened. The couple ran right past each other.

I was reminded of this routine in Sunday's late *Holomot Be'asparya*, which freely translates into something like "castles in the air." Israel Radio had recruited two psychologists for the phone-in feature, to explain to listeners why they had dreamt what they had dreamt. The dreamers obviously expected an interpretation à la Joseph to Pharaoh, but we were all disappointed. I'll gladly recommend the programme, any time, but as a sleeping pill only. The one bright moment in two

hours of listening was the story about a married couple and the Lubavitcher Rebbe. (If the couple concerned invented the story, they deserve a prize for the year's best *hasidic meisse*).

This particular couple's marriage had soured because they had no children. A neighbour who knew about their childlessness suggested that, since he was about to set forth on a pilgrimage to the rebbe, perhaps the couple would allow him to present their case. The couple consented.

The neighbour returned in due course, but with little encouraging news. The rebbe, he recounted, had heard him out and then responded with a single, cryptic sentence: "I have already given them my answer."

However, it was subsequently discovered that on the same night the couple had each had identical

dreams, a fact that emerged when the neighbour presented them with a picture of the rebbe. "But that is the man I saw in my dream!" the wife exclaimed. "I saw him too," added her husband. It seems that the rebbe had also delivered an identical message to the two. In their dreams they were ordered to live strictly in accordance with the *taharat hamishpacha* mishnaic injunctions which deal primarily with sexual abstinence following menstruation.

Believe it or not, the lady has since been delivered of a strapping boy. We were not told whether they had called him Menachem, in honour of the Rebbe.

FRIDAY afternoon's *Sheshet* on the Second Programme brought comfort to redheads. Apparently red is "in" this year. They even held

LISTENING IN...Ze'ev Schud

Castles in Spain

LISTENING IN...Ze'ev Schud

a special contest in the U.S. to pick out the most winsome auburn beauty. Two per cent of North Americans are said to be carrot-topped. No comparable Israeli statistics were available, but it is known that King David had red locks. Which may explain his quick temper and roving eye. Red is also a common hair colour in the Samaritan community, although this may be due to inbreeding.

It is, on the other hand, extremely rare among the Arabs and red-haired women used to fetch top prices on the marriage market. Sheikh Mutlaq of Majdal village, near Tiberias, had a red-haired wife. Said to have been sired by a Turkish sergeant during World War I, she became known as *bint el Turq* (the Turk's daughter).

Finally, we were treated to Ella Fitzgerald belting out a number about the redhead she loves.

position of income tax on their retirement pensions. And why not tax their pensions? I don't begrudge anyone anything, but retired officers are entitled to claim pensions earlier than most people (usually while still in their mid-40s), and have at least 20 to 25 more productive years ahead of them, during which they stand a more than reasonable chance of earning a second pension.

I also fail to see why all these healthy and relatively young men should get the prime cuts, all the way from jobs to special Treasury considerations.

I always used to think of officers as patriots — instead I'm discovering that they have become a club engaged in scratching each others' backs. It seems to me that the widespread support the officers are enjoying in their protest is based on a general eagerness to take a swipe at Finance Minister Yoram Aridor, rather than any factual considerations.

Industry and Trade Minister Gideon Palti was quoted as saying, after a meeting with the chief of military intelligence: "We were told Little Red Riding Hood stories." And so we were.

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A review of arts and letters in Israel

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DRIVE CAREFULLY —

Commercial banks to raise interest rates from Sept. 1

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — Commercial banks will raise their interest rates on both the sums they lend and borrow on September 1.

The prime rate for business accounts will be raised by eight per cent to 101 per cent annually. However, since most banks have different grades of customers, depending on the sum borrowed, the length of time and the promptness of payment, many clients will pay more. Some banks have half a dozen standard grades.

In addition, customers will also be charged an eight per cent bank fee, which will bring the lowest real interest rate up to 109 per cent.

Non-approved overdrafts will cost at least 66 per cent more — 101 per cent, plus eight per cent, plus 66 per cent — for a minimum total of 175 per cent. However, since there are also several grades for non-approved overdrafts, many borrowers in this category too will pay more.

As for overdrafts for salaried

persons, these are also to be more expensive, but the exact rate has not yet been fixed.

Commercial banks will increase their interest payments on short time deposits (called variously Pikadon Lzman Katuv, or PALAK, or Pikadon Kizar Moed, or PAKAM), by eight per cent. These will then pay 60 to 86 per cent, depending on the length of time the sum is deposited and the size of the sum. (The longer the deposit and the higher the sum, the greater the interest rate.)

As for Negotiable Certificates of Deposit (Tefasim, or Teudot Pikadon Shiroi), the interest rate will also be raised by eight per cent and will now range from 50 per cent to 93 per cent a year.

Asked how much a 0.3 per cent tax on checking accounts would increase business accounts, one bank estimated "about 49 per cent a year, but the exact calculations are only now being worked out." However, this bank did not think the 0.3 tax on checking accounts would be passed.

Koor buys 25 per cent more of Tadiran

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — Koor announced yesterday that it had acquired a further 25 per cent holding in Tadiran, bringing its total interest to 75 per cent. Koor paid General Telephone and Electronics of the U.S. some \$30 million for the equity. GT and E still holds the remaining 25 per cent interest in Tadiran.

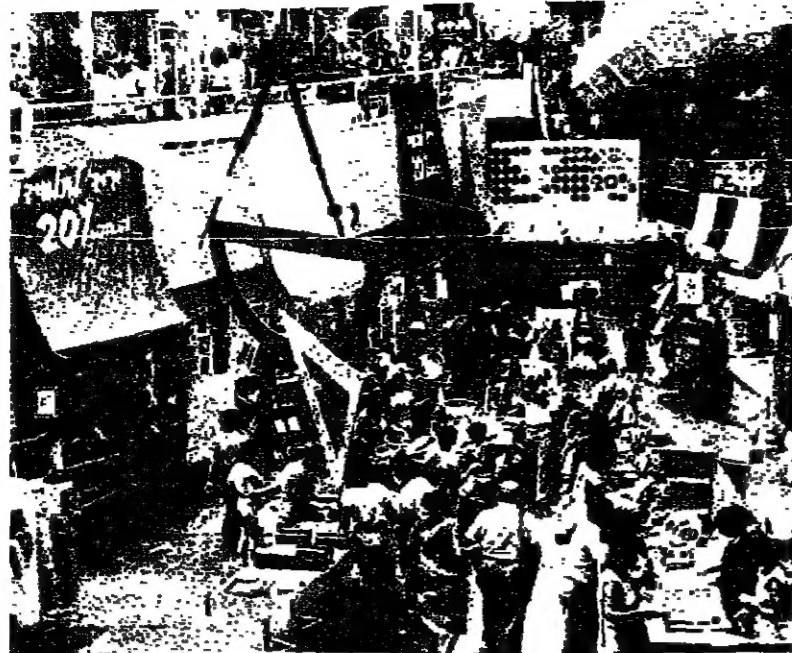
The Koor spokesman stated yesterday that GT and E had announced some time ago it was reducing its holdings abroad, and that this sale was part of such a general reduction. At this stage, it was stated, there are no negotiations on GT and E selling, or Koor buying, the remaining 25 per cent held by the American giant.

The Koor spokesman did note

that "we are looking for another foreign partner, preferably in the U.S. but anywhere in the western industrial world, which has advanced Research and Development, plus international marketing facilities, to buy GT and E's equity from us."

The American company, which invested in Tadiran in the early 1970s, provided not only R and D, but also international markets, and it was both these factors which helped Tadiran develop in the field of semi-military electronics. (Its pilotless plane is known throughout the world.)

In 1982, Tadiran had sales of \$384m, of which \$157m. was in exports. This year, on the basis of current and potential orders, sales are expected to grow to \$460m., of which \$190m. will be exports.



A scene from the student market, currently open in the Dizengoff Centre in Tel Aviv.

Poor countries delay paying back over \$40b. in debts

WASHINGTON (AP). — A total of 22 countries are arranging to delay payment this year on over \$40 billion worth of debt — four times as much as was delayed in 1982, according to officials of the world bank.

The cost of delay in penalties and added interest is estimated at hundreds of millions of dollars.

Brazil last Friday asked other governments to hold off \$1.5b. it owes this year and next. It already has an agreement to "reschedule" 4.4b. due this year to private banks, which have lent much bigger sums than governments in recent years.

There are 22 countries which have started or completed reschedulings so far this year. They include the biggest borrowers, Mexico and Brazil, which owe about \$90b. each. Government officials in the affected countries, however, point to the U.S. and Japan, which also had heavy foreign debts at one time, and are now world leaders.

Other countries rescheduling debts this year include some of the poorest, such as Uganda and the Central African Republic. In these countries the average citizen earns a dollar a day or less and economists say he may be worse off at the end of the century than he was in 1960.

Two countries with communist governments, Poland and Rumania, are also included.

Without rescheduling, a country in financial trouble piles up arrears.

"Such an action has serious drawbacks," says an article in the quarterly *Finance and Development*, published by the World Bank. "It will undermine confidence in the country, making it difficult — if not impossible — for it to borrow in the future."

Until 1979, there were only two or three reschedulings a year, amounting in 1978 to a total of \$1.8b.

Economists forecast rise in U.S. inflation

NEW YORK (Reuters). — Inflation will start to rise again in the U.S. before the end of this year but should not reach the double-digit figures that beset the economy in the 1970s, economists say.

Most analysts believe inflation as measured by the Consumer Price Index will not go much lower, after June's 0.2 per cent rise left prices only 2.6 per cent higher than a year before.

The outlook for inflation has deteriorated in recent weeks as severe drought in the Midwest damaged maize crops, making higher food prices in the shops likely by next year.

While few economists see inflation returning to double figures in the near future, some say it could still rise enough to harm the U.S. economy in the mid-1980s.

Eilat mayor told to 'keep his hands off'

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — The Ports Authority director, Yitzhak Rahav, has called on the mayor of Eilat to "keep his hands off" the dispute with the Eilat port workers over "irregular" increases. The *Jerusalem Post* learned yesterday.

Mayor Gad Katz is backing the workers demands for an increase of the special Eilat allowance the authority grants them. The authority has rejected these demands as "irregular" and the authority spokesman said yesterday that the Histadrut too has rejected the workers' demands. "We are ready to raise the allowance by the 22 per cent laid down under the national wage policy, as we have done their regular wages, but no more," he said. The mayor's intervention was scored as being contrary to proper administrative practices.

The dispute has caused deep concern in shipping circles, where it is feared that if the workers start industrial action in the port to push their demands, they may hammer the last nail into the port's coffin.

The port is presently only being kept open by subsidies to cover the extra cost of overland transport north.

Last month importers and exporters demanded that Zim bypass Eilat and direct its Far East freighters through the Suez Canal to Ashdod and Haifa to save costs. If the workers disrupt port operations and cause additional difficulties, the port may not recover its trade again, observers say.

4th commercial bank to be set up in Bahrain

BAHRAIN (Reuters). — A fourth commercial bank will be incorporated in Bahrain later this year following cabinet approval for the venture, a spokesman for the bank said yesterday.

Sami Kaikow, one of a founding committee of four, said the bank would be a joint venture by Saudi and Bahraini businessmen and would be called the Saudi-Bahrain Bank.

Initial plans called for an authorized share capital of 50 million Bahraini dinars (\$133m.), of which over three fifths would be issued in a share offering planned for later this year, he said.

WHAT'S ON

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JERUSALEM MUSEUMS
Israel Museum. Exhibitions: Mario Merz, Italian artist, from "Pong" to Home Computer, survey of computer history, China and the Islamic World. Ceramic Influences: George Segal, sculptures; Photographs of Manuel Alvarez Bravo; Oil Lamp Section; Permanent Collection of Judaica, Art and Archaeology; Primitive Art; Looking at Pictures; Permanent Exhibit in Pre-History Hall. Special Exhibits: New 5th century Byzantine Church mosaic; Torah Finales (Rimonim) produced in San'a by Yemenite Jewish goldsmiths at beginning of 20th century. Rockefeller Museum: Judean Kingdom Furniture at Kadash Barne; Wonderful World of Paper (Paley Centre next to Rockefeller Museum).

JORDAN TV (unofficial): 17.30 Cartoons, 18.00 French Hour 18.30 (TV 3) Little House on the Prairie 19.00 News in French 19.30 News in Hebrew 20.00 News in Arabic 20.30 Barney Miller 21.00 Great Paintings 21.10 Partners in Crime 22.00 News in English 22.15 Love Boat 22.8

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17.30 News
18.30 Sports
19.30 News
20.00 with a news roundup
20.30 Fame: Star Quality
20.50 Beauty Spot
21.00 Mabat Newsweek
21.30 Elsie — police drama series: Do They Really Mean to Die
21.50 Notes on a New Book
22.00 The Time — weekly interview programme
22.10 Film by a young Israeli filmmaker: Repentance
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Your money & your questions

By JOSEPH MORGENTHAU
Post Finance Reporter

QUESTION: You are a great supporter of dollar investments in Israeli commercial bank shares. So far in August the shekel has been devalued by more than 12 per cent; how do the bank investments look today?

ANSWER: If we look at investments in five of the commercial bank shares which have been held since the beginning of this calendar year, we get the following picture:

Bank Leumi	+97.0%
Bank Hapoalim	+100.5%
I.D.B.	+100.8%
Mizrahi	+127.6%
Union Bank	+114.7%

Since the beginning of the calendar year and as of last Thursday, the shekel has been devalued by 71.4 per cent. The dollar return, taking into account the devaluation of the shekel, works out as follows:

Bank Leumi	15%	(24% yearly)
Bank Hapoalim	17%	(27% yearly)
I.D.B.	17%	(27% yearly)
Mizrahi	33%	(52% yearly)
Union Bank	23%	(36% yearly)

QUESTION: I am looking for bargains on the share market. Where do I start?

ANSWER: The two worst performing groups of shares on the Tel Aviv Stock Exchange since the beginning of 1983 have been the service and trade group with a nominal 58.6 per cent loss and insurance issues with a nominal 44 per cent loss. You might look among these groups for profitable companies, with good future growth prospects and low

price/earnings ratios.

QUESTION: I have all my foreign currency holdings in U.S. dollars. I now read that there are definite signs of weakness in the dollar. Should I change my dollars into marks or Swiss francs?

ANSWER: The fact that all of your currency holdings are in dollars indicates to me either a definite preference for the American currency or a one time speculative entry into the dollar. The considerations to be taken as to which currency or currencies are to be held depend on the level of interest rates offered for deposits in the various currencies, as well as on an analysis of whether any of the currencies considered are overvalued in terms of the others. In recent years the Swiss, who are generally considered as being among the most prudent of money managers, have been suggesting that holdings be divided as follows: 50 per cent U.S. dollars, 25 per cent German marks and 25 per cent Swiss francs.

QUESTION: Is it true that foreign investors are stopping investing on the Tel Aviv Stock Exchange?

ANSWER: There are no statistics available which can provide the answer to your question. However, I would consider the recent announcement made by Clal Industries to the effect that a director of the company, who is a non-resident, has invested more than \$500,000 in the shares of Clal Industries in the course of this month.

ADVERTISING ACCOUNT. — Wimmer Jacobson Tamir Advertising was recently granted the Israeli advertising account of Sanyo Electronics — whose sales worldwide are about \$4 billion.

SELF-EMPLOYMENT. — India plans to spend 2.1 billion rupees (\$21 million) a year to help unemployed urban youths start their own small businesses, a government official has announced.

ENTERTAINMENT

TELEVISION

EDUCATIONAL:
9.00 The Peach Boy
9.15 Learn to play a musical instrument
9.35 Here and There
10.00 The Elephant Boy: part 23
10.35 Sports programme
11.05 An — Albert Blais
11.20 This Is It live youth magazine
17.00 A New Evening — live magazine
CHILDREN'S PROGRAMMES:
17.30 Diff'rent Strokes
18.00 Shmily's Cat Club — with guest star Yehoram Gaon
ARABIC LANGUAGE programmes:
18.30 News roundup
18.35 Sports
19.27 Programme Trailer
19.30 News
HEBREW PROGRAMMES resume at 20.00 with a news roundup
20.05 Fame: Star Quality
20.50 Beauty Spot
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19.05 Famous Artists in Historical Settings (repeated)
20.00 Reminiscences in Jewish North and West African traditions
20.30 The Israel Philharmonic Orchestra, Leonard Slatkin conducting; with Ma Handel, violin; Britten: Four Sea Interludes from Peter Grimes; Shostakovich: Violin Concerto; Haydn: Symphony No.93; Ravel: La Valse
23.00 Contemporary Music — Josef Tal: Wind Quintet (Noam Sheriff); Yossi Markham: Nebula; Luigi Dallapiccola: Serenata; Alcega (Hadar Harel)
00.10 Music from the Distant Past

First Programme
6.03 Programmes for Olim
7.30 Light Classical Music — Works by Vivaldi, Offenbach, Britten, C.P.E. Bach, Rossini, Mussorgsky, Liszt, Debussy and others
10.05 Encounter — live family magazine
12.05 Sephardi songs
13.00 News in English
13.30 News in French
13.30 Children's Programmes
15.05 Sport for Youth
15.50 Notes on a New Book
16.05 Afternoon Classics
17.20 Everyman's University
18.05 Spotlight — social and political affairs magazine
18.47 Bible Reading — discussion
19.05 Reflections on the portion of the Week by Rabbi Zefania Dori
19.30 Programmes for Olim
22.05 Talk on halachic matters
23.05 Every Man has a Star — with astrologist Ilan Pecker

ON THE AIR

Voice of music
6.02 Musical Clock
7.07 Wilhelm. Concerto Grosso; Vivaldi: Flute Concerto; Telemann: Flute Quartet; L. Mozart: Concerto for 2 Horns; J.C. Bach: Sinfonia Op.6, No.3; J. Stamitz: Viola Concerto (Ernst Wallentin); Haydn: Symphony No.60; Mozart: Allegro and Rondo for Glass Harmonica, K.617; Giuliani: Grand Sonata Eroica (Pepe Romero); Berlioz: Roman Carnival Overture; Ravel: Daphnis et Chloe, Suite No.2; Poulenc: Sextet; A.J. Bosworth: The Golden Churn (Jerusalem Symphony); Ronli-Rikisi; Schubert: Divertissement in French Style (Eschenbach, Franz); Brahms: Clarinet Sonata, Op.120, No.2 (Isaac Stern, Alexander Zakin); Schumann: Symphony No.1 (Philadelphians, Levine)
12.00 Fontana: 2 Sonatas for Trumpet, Bassoon and Harpsichord; Telemann: 10 Heroic Marches; Haydn: Trumpet Concerto; Harris: 4 Mood Pieces for Brass Quintet; Freytag: Mass for Sunday (arranged by Zeev Steinberg)
13.05 Musical Greetings
15.00 Music Magazine
15.30 Youth Request Programme
16.30 The Jerusalem Symphony Orchestra, Avi Osovsky conducting with Nina Flyer, cello; Hermann Baumann, horn — Mendelssohn: Symphony No.4, Italian; Mahler: Cello Concerto No.1; Mahler: Horn Concerto No.3, K.447; Mozart: Rondo Concertante, K.371; Bartok: The Miraculous Mandarin Suite (repeat)
18.00 Music Quiz (repeat)
18.35 Little Concert

Second Programme
6.12 Gymnastics
6.30 Editorial Review
6.54 Green Light — drivers' corner
7.00 This Morning — news magazine
8.05 Children's programme
9.05 Morning Star — Charles Aznavour
10.10 All Shades of the Network
12.05 On the line news and music
13.00 Midday — news commentary, music
14.10 Matters of Interest
16.10 Questions and answers on halachic matters
17.00 Magazine
17.25 Of People and Places
18.05 Safe Journey
19.05 Today — radio newsmagazine
19.30 Law and Justice Magazine
20.05 Cantorial Music
22.05 Folk songs
23.05 Treasure Hunt — radio game

ARMY
6.06 Morning Sounds — 7.07 "707" — with Zvi Rimon
8.05 Morning Newsweek
9.05 Right! Now — with Michael
11.05 Musical Request — with Shira Gera
12.05 Israeli Summer — with Eli Yisrael
13.05 One and to the Point
14.05 The Jerusalem Post
15.05 Four in the Afternoon
17.05 Evening Newsweek
19.05 Music Today — music magazine
20.05 Hits — Old and New
21.00 Mabat — TV Newsweek
21.30 Israeli Song Magazine: Yehoram Gaon
22.05 Popular Songs
23.05 Trackers in the Arava (repeat)
00.05 Night Birds — songs, chat with Yael Dan

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Ari Ruth
Editor and
Managing Director

THE JERUSALEM
POST

Erwin Frenkel
Editor

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Eilat 13, 5743 • Zil-Ki'adah 13, 1403

An African policy

LIBERIA'S president, Samuel Doe, is to arrive in Israel today for an official visit.

Mr. Doe is the first African head of state to come to this country since the states of black Africa, nearly all of them, severed relations in October 1973. That Liberia, an old and trusted friend, should have gone along with the pack was a cause of particular distress to Israelis at the time. Since then, however, Liberia has sent a number of signals suggesting that, although it had been unable to break ranks with fellow Africans, its heart was still in the right place.

Thus in November 1975 Liberia was one of the five African states — the others were the Central African Republic, the Ivory Coast, Malawi and Swaziland — that voted against the UN resolution which sought to identify Zionism as "a form of racism and racial discrimination."

The announcement in Monrovia ten days ago that Liberia had decided to restore normal diplomatic ties with Israel was what could have been expected of it — following the conclusion of the Israel-Egyptian peace treaty, and the signing of the agreement with Lebanon. Liberia is the second African state to take this step, after Zaire, whose example plainly showed the way. But Liberia was also actively encouraged by the Foreign Ministry which, under Yitzhak Shamir, has gone out of its way to cultivate African friendship.

The Liberian president gives every indication that he considers the renewal of ties with Israel an act of historic justice and political leadership. The large official entourage which accompanies him on his present visit, including six cabinet ministers, also suggests the hope that the formal ties will soon be translated into concrete, physical terms. Although he is doubtless aware of Israel's severe budgetary limitations, Mr. Doe must be looking forward to Israeli technical expertise mainly in agriculture, as well as to the resumption of normal trading ties.

It would be strange if he did not also expect Israel to intercede on Liberia's behalf, partly through the channels of American Jewry, with the administration in Washington. Unlike the embattled President Mobutu in nearby Zaire, however, it is not likely that Mr. Doe is especially interested in aid to boost his country's defences.

Liberia's example may prod a number of sister African states that have lately been considering the restoration of ties with Israel, to follow suit. Israel should, of course, welcome every such move. At the same time it should avoid being drawn into making commitments that go beyond its capabilities and its interests. And it should insist that those African states that voted to equate Zionism with racism explicitly disavow that act before exchanging ambassadors with Israel again.

For if the severing of relations can be interpreted in purely political terms, the denunciation of Zionism cannot be treated with political equanimity. No state should be permitted to feel it can have normal relations with Israel without first disavowing the historic obscenity of that resolution.

Tami's private bill

THE LARGE FAMILIES bill will not be brought to the Knesset for final approval today, as originally intended. The cabinet, yesterday, decided to postpone recalling parliament from its summer recess for the purpose.

There must have been several reasons for this decision. For one thing, the fiscal measures now before the cabinet will soon require the Knesset's assent, and it makes no sense to single out the large families bill for special treatment. Besides, at a time when the cabinet is seeking to cut expenditures and raise new taxes, the bill would require the spending of at least an additional half a billion shekels. The absurdity could not fail to be pointed out by the opposition in the course of a debate devoted specifically to the large families bill.

Then, too, the bill's original sponsor is Tami, and its continued membership in the coalition depends on the outcome of the cabinet's economic deliberations.

The delay in the approval of the bill does not, therefore, necessarily spell its doom. On the contrary, chances are that it will, sooner or later, but sometime this summer, be passed into law. Yet if there is a piece of legislation still outstanding that deserves to be soundly defeated, this is it.

For, in its present form, it is a piece of discriminatory legislation that will aid Jews but, deliberately, not Arabs. The discriminatory result will be achieved by confining application of the law to large families (with four children or more) one of whose members has served in the armed forces or the police. True, this would exclude yeshiva students, too, who like the Arabs are exempt from military service. But an arrangement will surely be devised to extend the same benefits to yeshiva students, but not to Arabs.

The supposed justification for this measure is that it would raise the low Jewish birthrate, an effect which (as experience shows) it would not have. The true rationale for it lies in the desire to reward those strata of society which Tami considers its natural constituency. But the outcome will make a mockery of Israel's claim to treat all its citizens, regardless of religion or race, equally.

HISTADRUT

(Continued from Page One)

opposes the government's policy of sacrificing development in the Galilee and Negev to build up Judea and Samaria.

A package deal involves an agreed policy on employment, prices, taxes, profits and wages, but the government and the labour federation are far apart on these questions, he said.

Meshel scored the suggested tax plans. The ministers want to force the Histadrut to treble its membership dues to enable the

government to cut its contribution to Kupat Holim Clalit, he said. He argued that 85 per cent of the population is insured through Kupat Holim Clalit and deserves government assistance.

The ministers want to cut national insurance allowances, but the money is not theirs. Employers and employees pay for that insurance, Meshel said.

Meshel accused the government of clamping down on employees because they are an easy target — but not really trying to tap rich people's purses.

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INTERNATIONAL

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Making allowances

By DAVID KRIVINE

A COUNTRY suffering with a big budget deficit should not subsidize anything. If it subsidizes it must, the aid should be given to production, not consumption.

If the budget is awash with revenue, and there is a desire to subsidize consumption all the same, then the two most worthy candidates in Israel — among existing recipients of public bounty — are public transport and large families.

Public transport, because only low-income groups travel by bus. There is no danger that the rich will get something for nothing; they stick to their cars. And cheap bus fares do give some slight encouragement among those with middle incomes to leave the car at home.

Child allowances encourage something else that the country needs: large families. Bringing up children is an expensive business, and the tax authorities should take that extra outlay into consideration.

Children were in fact formerly tax-deductible: or, to be more exact, a small part of their total cost to the family was tax-deductible; until the Ben-Shahar Committee pointed out in 1975 that it was an unfair way of doing things.

The benefit was confined under the old system to those who paid taxes. In order to pay tax, you had to have an income. If your income was too small to be taxed, e.g., because you were jobless, there was no payment (from you to the exchequer) from which the tax bonus could be deducted.

Or if your tax was smaller than the deduction (because your wage was low), you lost part of the bonus; which was unjust because those in the lowest income category are those who need the allowance most.

So it was decided to convert the tax credit into a cash remittance. A system of points was used: one point for each of the first two children, one-and-a-half points for every subsequent child. Each point is worth today IS1,026 a month. A family with six children would thus get

IS7,182 net, since the allowance is tax-exempt.

THERE HAD been, however, another system of cash remittances, functioning since 1970. It was confined to the children of those who had served in the armed forces. The idea was this: the Arab population in Israel has a high birth-rate, the Jewish population a low one (less than half, compared with the Moslems). How to redress the balance without breaking the rule of non-discrimination?

Well, soldiers sacrifice three years of their lives, plus a month per annum in the reserves, all this at the expense of their careers. A person exempt from this obligation can obviously earn more money, so it is not unreasonable to grant those who did their stint in the military a financial gratuity.

Two birds were killed with one stone. The soldiers got their gratuity, but it took the form of a special allowance, payable only if they possessed three children or more. Those with no children got no gratuity. Arabs who served in the army — or in the police or the Prisons Service — received the gratuity like their mates. Druse who served got the allowance in full. Jews who did not serve forfeited the benefit.

Which Jews did not serve? Mainly the ultra-Orthodox registered as yeshiva (theological) students. Then a terrible mistake was made. The religious were suddenly included, which made the allowance system overtly discriminatory as between ethnic communities.

The High Court pronounced this illegal. The ultra-observant who contract out of military service no longer receive the allowance. Knesset member Avraham Shapira of Agudat Yisrael told TV listeners that a way would be found of making this shortfall good.

To date, according to Avraham Shapira, deputy-head of the Treasury's Budget Division, no such

substitute payments have been made to the non-combatant sector out of the public purse.

The child allowance for soldiers' families comes to 0.75 points for the third child, one point for the fourth, one for the fifth and 1.25 points for the sixth child and beyond. The father of a six-child family who had served in the army would be getting an extra IS4,104 a month, making (together with the universal child allowance) IS11,286.

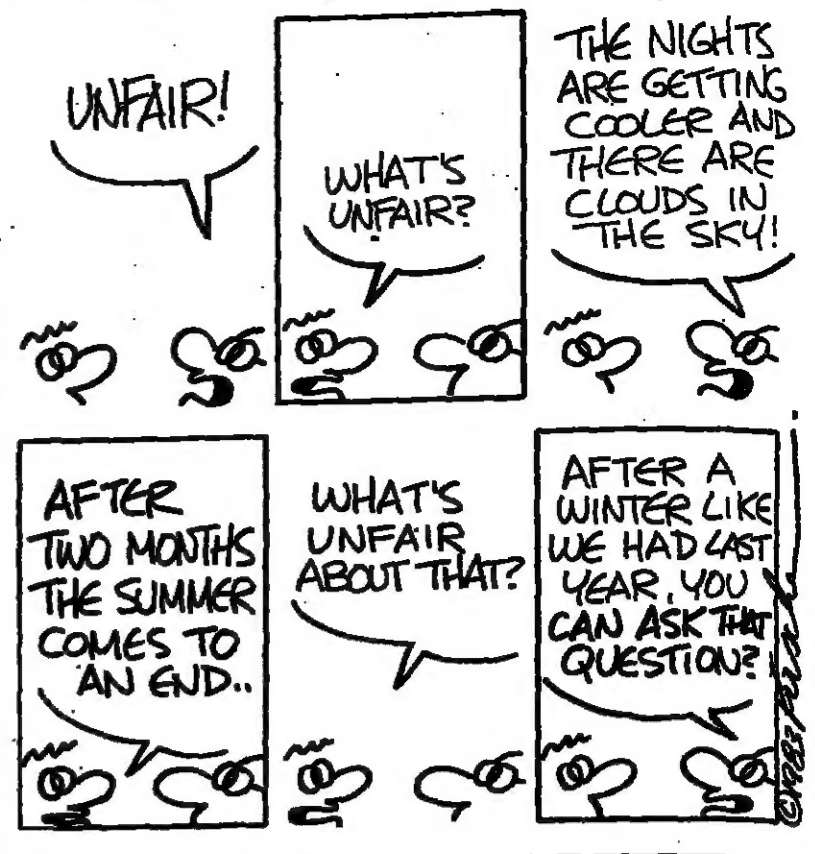
But that is not all. Tami, the party claiming to speak for Jews of North African origin (who are prone to have large families), secured, as their small contribution to the policies of the Likud coalition, yet another large-family allowance. From April 1 of this year, one supplementary extra point is given for each child from the fourth one on — provided again that one or both of its parents have served in the forces.

The situation today is then as follows. A family of ex-servicemen having six children receives, in addition to the IS11,286 it already rated, a further IS3,078, making IS14,364 a month in all, net of tax.

Tami has tabled a bill, still under discussion in the Knesset, that will extend further benefits to large families: participation in educational costs, exemption from arnona (municipal property tax); free boarding-school facilities for youngsters from problematic homes; compensation should children's bus fares (now one-half of the full rate of multi-journey tickets) be increased; and other things. This measure will apply to all children in the country, regardless of army service or ethnic community.

HOW MUCH DOES the above cost the state? There are 600,000 families in the land, with just over 1.5m. children. Altogether they commit the authorities to an outlay of IS16.7b. per annum (according to the National Insurance Institute's official statistics). This money is

Dry Bones



paid out to all families in Israel, military and non-military, Jew and Arab.

Another 312,600 "third children and over" are granted extra owing to their family's military connection. Outlay on them comes to IS4.8b.

Out of 1,547,500 children in Israel, 188,350 are not entitled to the allowance because their parents did not serve in the forces. If they were included in the large-family allowance schemes, that would cost IS2.1b., increasing the government's expenditure under this head by 9.5 per cent.

There are pros and cons for this differentiation. The pros I have listed above. The con is that the large-family allowance not only promotes a higher birth-rate, but it also helps defray the expenses of a large family that already exists; and there are many such among the

Arabs. The authorities will presumably make good the financial disparity if one of two things occur. The first possibility is that the Arabs consent to do a spell of compulsory national service like the Jews; if not in the army, then in some other task serving the public interest.

The second possibility is that the gap between Arab and Jewish birth rates narrows in the course of time sufficiently to remove the existing threat to the demographic balance between the two communities.

If both these developments take place together, the last argument for denying large-family allowances will lapse. Even the most case-hardened chauvinist will no longer be able to oppose restoring the principle of universality.

The writer is a member of The Jerusalem Post editorial staff.

READERS' LETTERS

DANGEROUS HABIT

To the Editor of The Jerusalem Post, Sir, — Road safety campaigns in all the media always warn against throwing burning cigarette butts out of cars because of the danger to crops and forests. There is one other aspect of this dangerous habit which has not been mentioned up to now: the danger to other people. The following happened in our family a few days ago:

My 15-year-old nephew and his seven-year-old brother were riding their bicycles along the main road between Hadera and Michmoret. The elder boy suddenly had a burning feeling on his thigh, and, looking down, saw that his (synthetic) clothing was on fire. He is an intelligent, resolute boy, quick in his reactions and luckily there was also

little traffic on the road at that time. He threw himself from his bicycle at the side of the road and rolled over and over, thus extinguishing the flames. He got away with a few minor burns. Had it been his little brother, riding behind him on his small bicycle, the child would have been a living torch before anyone would have been aware of it.

I think, this case should be brought to the attention of the card-driving public and also the possibility, though remote, of a burning cigarette thrown out of a passing car flying into the window of an oncoming car and setting its driver alight, or at least averting his attention for a few dangerous seconds.

JUTTA GRUENTHAL
Haifa.

ELIMINATING WASTE

To the Editor of The Jerusalem Post, Sir, — Before the government tackles the least affluent strata of the population — namely the pensioners, widows, invalids, large families, school age children — what about pruning severely the income both of ministers and their deputies, members of the Knesset, judges and other highly placed officials?

And while we are at it, does a small embattled country of four million inhabitants really need such a galaxy of ministers without whom, by the way, we seem to get along very well during their frequent absences abroad? Money could also

be saved or at least better attendance and greater efficiency achieved if MKs were paid per day of participation in the plenum or Knesset committees. And what about expense accounts for the entertainment of visitors, ministers' cars, double accommodation?

Finally, a careful study of the State Comptroller's report would yield a wealth of food for thought about costly waste and negligence in state and army installations to which the Comptroller draws attention time and again without avail.

YEHUDITH BILUTH
Tel Aviv.

WOMEN'S STATUS IN JUDAISM

To the Editor of The Jerusalem Post, Sir, — Around the tiny propaganda machine that is Professor Esther Broner is a cement wall untouched by logic or evidence of any sort ("Women's rights to ritual" — Today, August 10).

Professor Broner claims that "women were never truly honoured in Judaism." Really now! Though she evidently did hear about our Imahot, she wonders if she also heard of the Prophetess and Judge Deborah? Since our Judges of that time also served as military leaders

in wartime, she need only refer to the Book of Judges to read of Deborah's exalted status. Not enough honour for women? How about the Shulhan Aruch to learn about women's status in Jewish Law? No mere cooks. Had Professor Broner grown up in an Orthodox home, she might have witnessed the beautiful ceremony of lighting the candles on Sabbath eve and holidays and heard the enchanting *Eshtet hayil* sung in praise of women.

Safad. ANNIE FRUCHTER
Jerusalem.

IN DEFENCE

OF AGUDAT YISRAEL

To the Editor of The Jerusalem Post, Sir, — Though far from being a supporter of Agudat Yisrael I feel that Alexander Zivli's polemic against that party ("Rule of the ghetto" — August 8) calls for a reply and that the following must be said in the Aguda's defence:

1. Aguda has a constituency large enough to have given it four Knesset seats.

2. The four Aguda MKs were elected on the strength of a specific outlook, style and programme. Sympathy with this outlook and style extends well beyond the ranks of their supporters, among those in the haredi community who, on principle, refuse to participate in elections.

3. The balance of power in the Knesset is such that Aguda MKs have been able to push through a good deal of legislation, part of which, at least, has been welcomed by many outside the haredi community (e.g. the ban on El Al Sabbath flights).

Despite the occasional rogue in their midst (and what party is without them?) at whom the author points an accusing finger, the Aguda leaders are by and large men of principle and honour. What would Mr. Zivli have them do? Under present circumstances, the Aguda MKs are perfectly justified in implementing as much haredi legislation as they can. To do otherwise would be not only a dishonourable betrayal of principle, but the height of political folly vis-à-vis their constituents.

The only way to curtail Aguda influence is either to give one or the other of our major parties a sufficient majority to govern without Aguda, or to pass anti-democratic legislation which would exclude all the small parties (Tehiya, Shinu'i, Tami, etc.) from the Knesset and probably effectively bar any independent candidate from ever being elected.

G. YEYININ

ISRAELIS IN AMERICA

To the Editor of The Jerusalem Post

Sir, — The relatively low figures reported by Herman and LaFontaine in their assessment of the numbers of Israelis living in the U.S.A. (August 14) are supported by findings published by the American Census Bureau in April 1983.

The 1980 census showed that 52,843 reported at least partial Israeli ancestry and 41,008 reported exclusive Israeli ancestry. Ancestry in the census was defined as the group with which the person identifies and not necessarily the country in which his parents were born. As 21,288 declared a Palestinian identity, we can assume that the figures for Israeli identification are almost all Jewish. There respective figures for California (figures for Los Angeles County are not yet available) are 10,353 with at least partial Israeli identity and 8,131 with exclusive Israeli identity.

While the Herman and LaFontaine figures are vastly lower than the popular image of up to half a million, even their figures of 100-130,000 may be too high. The problem lies in estimating the number of Israelis who were missed by the census. Although the census sought to include all permanent inhabitants regardless of status, there is no question that large numbers of illegal aliens, including Israelis, avoided filling in the questionnaire. The 1970 census is estimated to have missed out close to five and a half million persons, not all of them

necessarily illegals. The 1980 census will almost certainly have overlooked an ever greater number.

It may well be that the number of undeclared Israelis in the U.S.A. is roughly equal to the declared, in which case the estimates of Herman and LaFontaine are very reasonable. But how can we know? The total number of 3-5 million is mere conjecture. I have not seen any figures in the 1980 census reporting 20,000 illegal Israeli aliens, as mentioned in your report. I know of no ethnic breakdown of illegal immigrants, with the exception of Mexicans, and this too is conjecture only.

At all events, it seems very unlikely that only one in ten permanently domiciled Israelis in the U.S.A. is prepared to declare openly his Israeli identity. It would appear that Herman and LaFontaine's estimations are much closer to reality than the generally accepted figure of 300,000-500,000.

YISRAEL ELLMAN
Kibbutz Yasur.

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